

# adults learning

September 2010 Volume 22 Number 1

**'We can deliver  
more and  
save money'**

The government's  
vision for skills and  
further education

**Big enough  
for everyone?**

The 'Big Society' must  
not leave the poor and  
powerless behind

**niace**  
promoting adult learning

**T**he new volume of *Adults Learning* opens at the start of what promises to be a dramatic and difficult year for adult learning. With the Comprehensive Spending Review due in October the government is consulting across a wide range of policy areas, many of which bear a direct or indirect relevance to the sector. It's vital that we all do all we can to keep adult learning firmly on the agenda, taking every opportunity to demonstrate the ways in which it can support a range of policy priorities.

In this issue we tackle a number of the areas on which the government is consulting. Minister of State John Hayes sets out his vision for further education and skills, while a range of key players, including the CBI, the TUC and the 157 Group, give their take on the government's consultations on a new skills strategy and a simplified funding system for FE.

Chris Banks reports on the findings of his review of co-funding and fees in FE, while Mark Spilsbury, chief economist of the UK Commission for Employment and Skills, gives the Commission's assessment of our progress towards the 2020 skills targets.

We also examine David Cameron's notion of a 'Big Society', with Anna Coote of the New Economics Foundation asking how a Big Society might work for the disadvantaged, and Stuart Etherington and Stephen Bubb examining the implications for the voluntary and community sector.

It's also a time of change in the media and this volume of *Adults Learning* will, for the first time, be available to subscribers online. We'll also be introducing a blog and a Twitter feed in the course of the volume. For a limited period we're offering free electronic access to all readers. See page 31 for details of the e-magazine and of our revised subscription offer.

It's going to be a challenging few months. We'll make sure you're kept up-to-date on the issues that really matter to you and your work.

**Paul Stanistreet**

Editor – *Adults Learning*



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Cover picture: © Richard Olivier

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## IN BRIEF

- Lifelong Learning UK has appointed Pat Bacon as the new chair of its governing council, replacing Sir David Melville who is retiring after five years in the role. Ms Bacon is Principal of St Helens College and was formerly President of the Association of Colleges.
- Student debt levels are projected to rise to £25,000 for those starting university this year, according to a survey of 2,000 UK students for university guide Push. The annual survey also found that average yearly debt had increased by 5.4 per cent to £5,600 per year of study.
- NIACE is to host a conference on the challenges facing part-time higher education in the years to come. *Adult progression into part-time higher education: a reality check for new times* takes place on 26 January 2011, in London. Go to: <http://www.niace.org.uk/events>.
- Wales is set to further outstrip the UK average for people aged over 65 over the next 20 years, figures show. A quarter of the Welsh population will be 65 or over by 2030, compared to 22 per cent for the UK average.
- London is the most cost-effective UK city for students, according to a survey by NatWest Bank. High wages in the capital enabled them to support their studies, the annual Student Living survey found.
- Bridgeman Education, the online educational image resource of the Bridgeman Art Library, has launched a new e-learning website, with improved access to over 300,000 images copyright-cleared for educational use. Go to: [www.bridgemaneducation.com](http://www.bridgemaneducation.com).

# Hayes launches skills and FE funding consultations

## SKILLS STRATEGY

John Hayes, Minister of State for Further Education, Skills and Lifelong Learning, has launched two consultations on the future of further education and skills in England.

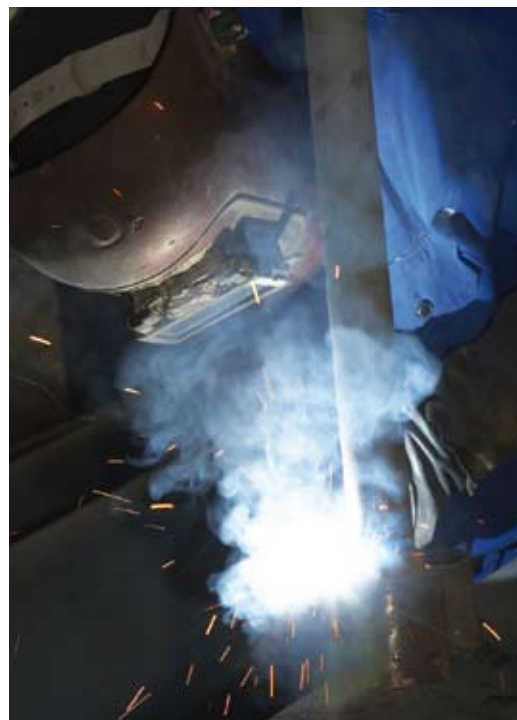
The Department for Business, Innovation and Skills published two consultation papers in July, setting out the coalition's vision for further education, and inviting employers, colleges, training organisations and others with an interest in FE and skills to share their ideas on the future direction of adult learning policy.

The first consultation, *Skills for sustainable growth*, outlines BIS's vision for future skills policy and the elements it expects will be key to its delivery. The second, *A simplified further education and skills funding system and methodology*, invites views on how to implement a simpler funding system, building on the principles of the independent fees and co-funding review recently completed by Chris Banks [see below and pages 20-21].

Launching the consultations in a speech at Hackney College, John Hayes said: 'The need to establish a system that makes possible a truly lifelong approach to learning, nurturing sustainable economic growth and social renewal, is perhaps more urgent than it has ever been before.'

'The system we want to build must harness both the economic and the social potential of lifelong learning. And I see the Comprehensive Spending Review not as a threat, but as an opportunity to do precisely that.'

'The direction we want to take is clear. The issue is how best to get there. And that is where we need to hear your thoughts on how things could be made to work better, to draw on your knowledge of how things work in real life, and to learn more about



the real obstacles you have to overcome on a daily basis.'

The consultations will inform a strategy on skills, outlining the government's principles for the skills system and a framework for policy for the next five years, which will be published in the autumn, following the Spending Review.

The skills consultation is available to read at: [www.bis.gov.uk/skills-consultation](http://www.bis.gov.uk/skills-consultation); the funding consultation at: [www.bis.gov.uk/FE-funding-consultation](http://www.bis.gov.uk/FE-funding-consultation).

Read John Hayes on his hopes for the consultations on pages 8-9.

# Review calls for overhaul of fees in FE

## FURTHER EDUCATION

The Independent Review of Fees and Co-funding in Further Education in England has published its final report, recommending a series of reforms to the funding of further education.

The review, which involved representatives of employers, adult learners, colleges, training providers and others with an interest in adult education, called for changes to ensure that individuals and employers are driving the further education system, and for co-investment from individuals and employers to be optimised.

Chris Banks, who chaired the government-commissioned review, said: 'In the future, we believe that government funding for co-funded provision should follow and support the choices and contributions of learners and employers, using a principle of matched funding.'

'We believe the system should be fair and transparent, on both price and quality, and that government should expand and re-launch the system

of Professional and Career Development Loans, which can provide individual adults with the option to spread the cost of their investment in improving their skills and qualifications.

'The review is not about putting up the fees level, nor increasing the number of people who have to pay fees in further education. The review is about ensuring there is a system in place to make sure that where individual adults and employers are expected to co-invest in their learning and in their futures, this does indeed happen.'

'I very much hope that ministers will accept these recommendations for change and that, in signalling their support, they will initiate an overhaul of the system for co-investment in further education that will make it simpler, fairer, more transparent and more responsive to the needs of adults and employers.'

Read Chris Banks on the review's findings on pages 20-21.

# Time to train legislation under review

## WORKPLACE LEARNING

The government has launched a consultation on the future of the right to request time to train.

The legal right for workers in businesses with more than 250 employees to request time to take up relevant training came into effect in April this year.

The government wants to review all regulations in an effort to reduce burdens on business. The consultation, announced on 11 August, aims to gather opinions on the right to request time to train to will feed into the review.

Further Education, Skills and Lifelong Learning Minister, John Hayes, said: 'Before

we make any decisions about the future of the right to request time to train, it is important that we gauge views of the regulation and whether it is improving training opportunities for employees.

'We believe it is important that all regulations are properly scrutinised and we are therefore interested in hearing views on the future of this right and its role in promoting training in the workplace, which I see as vital to our economic success.'

TUC General Secretary Brendan Barber said: 'Since its introduction earlier this year, the right to request time to train has opened new doors for workers to get the skills they need to further their careers.'

'But having already consulted extensively, we are concerned that this latest consultation will simply weaken the right as a favour to business organisations who consider support to train staff as nothing more than burdensome red tape.'

The consultation is shorter than the normal 12 weeks and closes on 15 September.

Read unionlearn's Richard Blakeley's response to the consultation on page 30.

The government has also announced a consultation on offender learning.

The consultation, which closes on 24 September 2010, will assess progress against the framework set out in the 2006 policy document, *Reducing re-offending through skills and employment: next steps*, and make recommendations to improve the efficiency and effectiveness of the arrangements.

It will inform the Ministry of Justice's autumn Green Paper setting out the government's proposed approach to sentencing and rehabilitation reform.

Go to: <http://www.bis.gov.uk/Consultations/call-for-evidence-on-review-of-offender-learning>.

Current policy on tax relief for training could be more equitable and is not yet delivering best value to government, NIACE has said in a submission to the Spending Review.

NIACE is concerned that no conditions are attached to the granting of tax relief and that employers do not have to account for how, on what and upon whom it is spent.

NIACE's Chief Executive Alan Tuckett said: 'Tax relief is effectively a public contribution to private employer training expenditure and if £3.7 billion of revenue is foregone by the public purse, it is not unreasonable that the onus should be on employers to demonstrate it is being spent to good effect and is not simply exploited as a loophole by accountants.'

'There is no doubt that you could use the money to get more benefit than it currently generates,' he added.

# UK falling short of skills targets

## AMBITION 2020

The UK economy is set to slide down the international rankings unless its skills and employment systems are fundamentally reformed and improved, according to a report from the UK Commission for Employment and Skills.

Ten million people need to improve their skills if the UK is to achieve its ambition of being in the top eight countries in the world for skills, jobs and productivity by 2020. But UKCES's report, *Ambition 2020*, predicts that we are likely to achieve just half that number.

The report calls for: an increase in the number of apprenticeships available for young people and adults; prospective students to be given more and better information about the range of courses and qualifications on offer; prioritising public funding towards basic and lower-level skills; stimulating greater co-investment with employers and individuals in higher-level skills; and devolving more funding and decision-making to the front-line, for example, through the network of Local

Employment Partnerships.

Chris Humphries, Chief Executive of UKCES, said: 'At the moment, our economy is still world class – quite an achievement for such a small island. But we're living on past glories. Economic success rests on three legs – skills, jobs and productivity – and we are well below average on the first of these. Unless swift and decisive action is taken, we can expect the UK's economy to begin to slide down the international rankings.'

'The Commission hopes and believes that the UK can continue to be a world-class nation, with some of the best skilled workers and the best businesses. But at the moment, just like the England World Cup team, whilst aspiring to still be in the quarter finals in 2020, our current performance just enables us to scrape in at the bottom of the last 16.'

*Ambition 2020: World Class Skills and Jobs for the UK* is available to download from: [www.ukces.org.uk](http://www.ukces.org.uk).

Read UKCES's chief economist Mark Spilsbury on *Ambition 2020*, pages 22-23.

One thousand individuals are now registered nationally as community learning champions, a big step towards achieving the 1,500-registration target that the national support programme is committed to achieving by March 2011.

The Community Learning Champions Support Programme, which is delivered through a partnership between NIACE, the Workers' Educational Association and Martin Yarnit Associates, enables volunteers to promote learning in their homes, workplaces and communities.

Since October 2009 the programme has provided training and development opportunities, and a website for exchanging ideas, goals and achievements, for 50 funded projects across the country.

## QUOTE UNQUOTE

“ I want this government to be remembered for realising the full potential of adult learning by releasing it from the grip of excessive state control. Adult learning is not a luxury; it is an essential component of our education system ”

John Hayes, Minister of State for Further Education, Skills and Lifelong Learning

## IN BRIEF

- John Hayes has been appointed Minister of State at the Department for Education in addition to his current role as Minister of State at the Department for Business, Innovation and Skills. He will be responsible for apprenticeships (16-18) and careers advice at the Department for Education.
- UK students' satisfaction with their undergraduate courses has stalled, the National Student Survey has found. Overall, 82 per cent of finalists at UK universities in 2010 were satisfied with the quality of their course, the same percentage as last year.
- The average Briton spends almost half of their waking life using media and communications, according to statistics from regulator Ofcom. The data suggest people in the UK spend seven hours a day watching TV, surfing the net and using their mobile phones.
- NIACE has published a resource to support the training and CPD needs of family learning professionals. *Family Learning: Professional Practice* was developed by NIACE in consultation with key practitioners and organisations in the sector.
- The Welsh government is being urged to cut business rates for companies that help to pay for their employees to study. According to the OU in Wales, only 42 per cent of Welsh businesses offer any support to staff to help them gain further-education or professional-development qualifications.
- The proportion of 18-24-year-olds in England not in school, college or work has fallen. 16.3 per cent were classed as not in education, employment or training in the second quarter of this year, compared to 17.6 per cent in the same quarter of last year.

# Gurkhas get English language support

## ESOL/CITIZENSHIP

NIACE is to manage a new project to encourage and support former Gurkhas and their families in learning English.

The Gurkha Resettlement Education and Adult Learning project, funded by the European Integration Fund, will involve Greenwich Community College, Barnet College, Coleg Powys, the Soldiers, Sailors, Airmen and Families Association (SSAFA) and the Gurkha Welfare Trust in encouraging Gurkhas to take up ESOL courses and ensuring they are better equipped to integrate into mainstream society.

NIACE will conduct a national research project to determine the language needs of, and the existing ESOL provision for, the Gurkha community – the first research of its kind.

The project will build upon the substantial progress made over the last three years by Gurkha

families at Greenwich Community College, where there is a waiting list for this provision.

Gerry Armstrong, Divisional Secretary at SSAFA, which has been working closely with staff at Greenwich, said: 'Interest levels from Gurkhas about the new ESOL provision is growing daily.'

'We must focus particularly on the special needs of an increasing number of newly arriving Gurkhas that have had no exposure to the English language. They are much older, have major health and social support needs and will find integration very difficult unless they are able to speak some everyday English.'

An expert seminar will take place in November 2010 to draw together all providers, agencies and voluntary-sector organisations working with Gurkhas to share good practice and provide a point of contact for the Ministry of Defence and the Army.

The death of Andrew McIntosh (Lord McIntosh of Haringey) robs adult education of one of its most influential supporters in the House of Lords, writes *Alastair Thomson*.

Whilst his parliamentary career peaked between 2003 and 2005 as broadcasting minister at the Department for Culture, Media and Sport, Andrew McIntosh was a reliable champion of adult learning throughout a career which also spanned local government in London and the Council of Europe.

As a minister, he ensured that the educational role of broadcasters and libraries was never neglected in public policy and was always a source of advice and counsel to NIACE.

NIACE regrets the passing of Dorothy Eagleson, who established Northern Ireland's Educational Guidance Service for Adults in 1967 and led the organisation until her retirement in 1989.

As a result of her work, thousands of adults in Northern Ireland had the opportunity to return to education and transform their lives. A founder member, and, later, President, of NAEGA, the National Association for Educational Guidance for Adults, Dorothy's influence extended far beyond Northern Ireland.

**The Museums, Libraries and Archives Council is to be scrapped and public support focused on 'front-line, essential services' as part of the government's drive to cut costs and increase efficiency.**

**The Department for Culture, Media and Sport announced in July that a number of its 'arm's length' bodies were to be merged, abolished or streamlined.**

**Secretary of State Jeremy Hunt's plans also include the abolition of the UK Film Council and the merging of UK Sport with Sport England.**

The default retirement age will be phased out by October 2011 under proposals published for consultation by the government.

NIACE welcomed the move but warned that more needed to be done to ensure that government and employer training schemes better support older people, providing them with the skills employers need.

The plans allow for a six-month transition from the existing regulations, following the announcement in the Budget that the default retirement age would be phased out from April 2011. Currently, employers can make staff retire at 65 regardless of their circumstances.

The measure is one of the steps the government is taking to help and encourage people to work for longer. Others include reviewing when the state pension age should increase to 66 and re-establishing the link between earnings and the basic state pension.

The consultation closes on 21 October 2010. A copy of the consultation document can be downloaded from: [www.bis.gov.uk/retirement-age](http://www.bis.gov.uk/retirement-age).

Conservative peer and former education minister Lord Boswell is to chair an independent inquiry into adult literacy in England.

The inquiry, which will be coordinated by NIACE, will examine the literacy demands on adults, families and communities in this period of economic challenge while considering the contributions literacy can make to social cohesion, wellbeing, families, and so on.

It will examine what works well and for whom, as well as where and with whom development is needed. The inquiry report will offer messages and recommendations to government about future priorities and how to engage more people in improving their literacy.

The inquiry, which launched on 8 September, will report by September 2011.



Photo: Sue Parkins

# Make sure your voice is heard

With the toughest public spending review in generations in the offing, the case for publicly supported adult learning needs to be made, loudly and by as many people as possible, says **ALAN TUCKETT**

September is the busiest month, with students to advise and enrol, tutors to find and induct, and a million summer emails still to trawl through. Despite this, everyone with a commitment to the education of adults will need to carve out time to respond to the plethora of consultations issued this summer by a government in a hurry.

There may be a tendency to feel that this is a task that can be safely left to others, given the enthusiasm of Vince Cable, and especially that of John Hayes, for a broad and inclusive adult learning offer. Despite the prospect of swingeing budget cuts across the landscape of social policy, busy professionals may think that adults' learning opportunities are in safe hands – a feeling reinforced by ministers' stout and successful defence of the further education sector in the June reduction of £6.2 billion.

But that would be to underestimate the risks. First, there is a long history of new ministers making impressive speeches and expressing undying commitment to the education of adults, followed all too often by regulations that reduce opportunities for adults to learn on their own terms. This is not to accuse past government ministers of bad faith. But there are wider forces at work.

Take the Treasury. Its necessary scepticism in the middle of a Comprehensive Spending Review is reinforced by the life experiences of the bulk of its officials, who have arrived there after flawlessly brilliant education careers. No need for second chances there. Schooled in a narrow conception of economic value based on conventional analyses of rates of return they struggle with arguments about the wider benefits of learning. With tough decisions certain in October, the case for publicly supported adult learning needs to be made, loudly and by as many people as possible this month.

Second, there is the Skills Funding Agency, now part of the Department for Business, Innovation and Skills, and keen to simplify budgets as far as possible. What will that mean for the Adult Learning Safeguard? It was created in 2003 to protect at least a minimum of provision for adult liberal education, family learning and learning for neighbourhood renewal from national qualifications frameworks, national targets and the like. Its value can be seen by looking at what has happened to the adult learning offer outside the safeguard over the last few years, with 1,500,000 places lost. Community-based adult educators need to make the case

firmly for a continuation of the safeguard in their responses to the two BIS consultation papers – *Skills for Sustainable Growth* and *A Simplified Further Education and Skills Funding System and Methodology*.

Anyone with concerns over the impact of reductions in funding on equality and diversity will also need to respond. The evidence of the last year showed just how difficult it is to square legislative entitlements with tight local budgets. Adults with learning difficulties too often found their learning needs, though fully protected in law, squeezed by institutional heads facing the challenge of forcing quarts into pint pots.

And then there is the UK Commission for Education and Skills consultation on the future of information, advice and guidance. It is clear that the new government is keen on the principle of all-age services. It is a principle few could argue with. It is just the practice that presents difficulties. Faced with the whole population to serve, and modest resources to do it with, providers have concentrated resources on young people. As a result, NIACE has taken broadly the same approach to IAG that it takes towards the adult safeguard – asking for a ring-fenced element for adult IAG within the all-age framework.

Of course, consultations provide the chance to do more than respond to the questions asked – answer the questions you would like them to have asked too. When I was invited to meet the Chancellor of the Exchequer (with other FE representatives) I was keen to point out that government spends as much on employer and self-employed tax relief for training as it does on the FE system – so any discussions on spending the FE pot better, or cutting budgets, might better start by looking at the two sums together.

I'd like to know, too, when the coalition (or the opposition) will develop a coherent policy to address the demographic gap – just who is going to fill the jobs left empty as baby boomers retire? So many questions, so little time to ask them.

Meanwhile, there is, of course, no truth in CIPD's inadequately researched suggestion that NIACE would be closed down as part of a cull of quangos. We are not a quango, and our grant accounts for 10 per cent of our turnover. We are proud of our independence, and celebrate it again this month when we launch an inquiry into the state of literacy work with Lord Boswell in the chair. Look forward to its consultation, soon.

*Alan Tuckett is Chief Executive of NIACE*

# 'We can deliver more and save money'

The government's consultations on skills policy and further education funding are an opportunity to build a system that harnesses the economic and social potential of lifelong learning. Those who care about adult learning should view it with excitement, not trepidation, writes **JOHN HAYES**

**E**ducation is a cornerstone of society, and learning is a vital part of all our lives, young and old. Adult learning has, throughout the years, been subject to endless strategies and proposed plans – but none of these has fully realised its potential. The previous government paid lip-service to it, but I want to bring about real change. I have supported and upheld the cause of lifelong learning throughout my time as an MP, and I will champion its case in government with zeal and vigour. Today, we must establish a system that takes a truly lifelong approach to learning that, in addition to fostering sustainable economic growth, brings hope and the promise of a better society founded on social mobility, social justice and community cohesion.

Adult learning can enrich the lives of individuals and the communities of which they are a part. This was wonderfully demonstrated on a DVD sent to me by NIACE, which showed the remarkable transformation of a struggling fish and chip shop in Stockport into a thriving community business. The owner now runs computer training courses for elderly and disabled people, and his business is a vital part of the neighbourhood. It is this sense of embedding learning in local communities that we want to promote – to recognise, once again, that engagement in learning leads to greater self-esteem, better health and greater community spirit. All too often, those who make the effort to improve their own, their families' and their communities' lives go unnoticed and unrewarded. Too many people feel they have lost power over their own lives.

As Prime Minister David Cameron recently said, we can only start to put things right by means of a fundamental shift of power downwards from central government to local communities. Democratising learning will not act as a magic cure to all of our society's ailments, but it is a crucial part of the recovery.

Unless we embrace the principle of lifelong learning, and become once again a people who value knowledge and take pride in skill, then we cannot begin the process of mending Britain. As Benjamin Disraeli said: 'Upon the education of the people of this country the future of this country depends'.

## **Civilising force**

Education is the greatest civilising force that has ever existed or ever will. Knowledge really is power. It says to people, raise your heads and look to the future because your future is yours to build. It says that what you become is in your hands. That is why I have launched two consultation documents on the future of skills policy and further education funding. I want to place learning at the heart of our society. Some may question how the government can do this in an age when money is tight; if the full force for good that a culture of lifelong learning could exert on our society was not released when money seemed plentiful, how are we to release it now?

There are two contrasting attitudes to the outlook for further education and, indeed, the future of public services in general. One side wrings their hands and waits for the axe to fall. The other, which includes me, sees the need for savings not as an impending disaster but as a golden opportunity for radical and long-overdue reform. The important thing is not that further education should become ever richer, but that it should become ever better. It isn't necessary to spend more if one is prepared to spend wisely. Those of us who think in this way see the waste, the over-regulation and the failure, all too often, to give institutions what they need to really deliver for the people who depend on them. Impending cuts must be a driving force that overcomes the apathy that stands in the way of real change.

I believe that we can deliver more and

save money. But we will only achieve cost effectiveness by challenging the orthodox assumptions about what skills are for, how they are funded and what role government should play. We have an opportunity to look critically at how effective our current strategies are, and whether what we are doing truly addresses the needs of individual learners and their employers. Those of us who care deeply about adult learning should be filled with a sense of excitement, not trepidation.

It is in that spirit that our consultation proposals have been prepared. The system we want to build must harness both the economic and the social potential of lifelong learning. And I see the Comprehensive Spending Review not as a threat, but as an opportunity to do precisely that. The consultation proposals will allow professionals in the field to share their thoughts on how to improve further education programmes. By drawing on their experience and knowledge, we hope to make the future of our policy towards further education one that accurately addresses the problems it faces and provides solutions that actually solve problems, instead of exacerbating them.

Two main ideas pervade our consultation proposals: the transfer of power – and also of responsibility – from the centre to individuals and their employers; and the freeing of colleges from burdensome bureaucracy. The first of these requires individuals and employers to get accurate and impartial information about their options in adult learning and the benefits applicable to them. In adult learning, the government's responsibility should be to facilitate informed choice. Of course, we must do whatever is possible in the present funding environment to ensure that demand is met – that is why we have already expanded the number of apprenticeship places available by reallocating money that was previously being wasted through Labour's Train to Gain programme. We must also give employers



“Unless we embrace the principle of lifelong learning, and become once again a people who value knowledge and take pride in skill, then we cannot begin the process of mending Britain”

John Hayes speaking at City and Islington College

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incentives to support workplace training.

There is also a growing demand for adult and community education. Lifelong learning is particularly valuable as it not only educates people for the sake of their future job prospects, but also serves as an activity that can excite and inspire, not to mention provide enjoyment. We therefore propose to help strengthen the relationships between colleges, local authorities, charities, voluntary organisations and social enterprises to support the delivery of adult education and community learning.

The credibility of vocational qualifications also has to be made more transparent to employers, and learners need to know what their qualification actually means. There is no greater disincentive to continued learning than working hard to obtain a qualification, only to discover that it is of no help for career progression. Learning should never represent a dead-end. Pathways need to be developed between formal and informal learning, and within the different levels and modes of formal learning. For example, there are no clear routes between Level 3 apprenticeships and study opportunities at higher-education level.

The second theme of the consultations follows directly from the first. We must free colleges and training providers from unnecessary bureaucracy and make them more accountable to their customers. It is

essential to ensure proper choice between high-quality options for both learners and employers while achieving the best value for money. We have already made progress in this area by relaxing the burdens of inspection and reporting, as well as allowing most colleges to move money between adult learner and employer responsive budgets, but more could, and should, be done.

#### Co-funding review

In July, I received the recommendations of Chris Banks' review of co-funding [see Chris Banks' report on pages 20-21]. The main aim of the review was to ascertain how to overcome the barriers to securing investment from employers and individuals alongside government, while simplifying the further education and skills system. It is a vital issue that concerns everyone involved in adult learning, and so we want opinions on the review, including the best way to implement this approach. While progress is being made, we must go further. That is why we are seeking views on what further simplifications would make it easier for adult education programmes to deliver what their learners need.

I hope that everyone in the wider further education community will share with me their thoughts and ideas on these and other questions. I want this government to be remembered for realising the full potential of adult learning by releasing it from the grip of

excessive state control. Adult learning is not a luxury; it is an essential component of our education system – a point made recently by the Prime Minister. Unless everyone – rich or poor, young or old – is offered the chance to learn and to carry on learning throughout their lives then these ideals will not be realised. In years to come, I hope that people will look back on this period as a milestone in the lifelong learning movement. If and when they do, I hope they will be able to say that, though times were tough and money short, our shared belief in and commitment to adult learning never wavered. And, as a result, we found opportunity and grasped it.

*John Hayes is Minister of State for Further Education, Skills and Lifelong Learning*

The two consultations, *Skills for Sustainable Growth* and *A Simplified Further Education and Skills Funding System and Methodology*, are available to download from: [www.bis.gov.uk](http://www.bis.gov.uk).

Responses must be received by 14 October 2010. The consultations will inform the government's new strategy for skills, which will be published after October's Comprehensive Spending Review.



# Getting the balance right

The government is consulting the sector on a new skills strategy and a simplified funding system for FE. We asked some of the leading players what they made of the government's vision and what they would like to see in the strategy

## Spending cuts will undermine many of the positive proposals in the government's skills strategy, warns **Brendan Barber**

It's hard to argue against the central thrust of the government's consultation on the future direction of skills policy. Minister of State John Hayes rightly emphasises that lifelong learning and skills are vital to our economy and that they also deliver wider social and cultural benefits.

Specific proposals will have the backing of the trade union movement too, including the commitment to continue rebuilding apprenticeships and to support progression to higher-level skills for many more individuals through this vocational route.

And given the political composition of the government, we are particularly pleased with the acknowledgement that unions are playing a crucial role in supporting investment in skills, particularly through the activities of the network of 25,000 union learning representatives.

This message was reinforced at unionlearn's annual conference in July when the

Secretary of State for Business, Innovation and Skills, Vince Cable, said that the union movement had developed 'a powerful model in unionlearn, reaching out to businesses and giving individuals a chance they never would have had'.

But the TUC also has major concerns about the direction of the government's skills policy.

The dark cloud hanging over this consultation is the forthcoming Comprehensive Spending Review and the cuts of at least 25 per cent that departments are expected to make over the next three years.

The TUC is strongly opposed to the swingeing cuts being carried out by the government, which are hitting the poorest in society hardest and damaging economic growth by weakening demand and causing mounting job losses.

The folly of these of these cuts is laid bare when it comes to skills.

As the UK Commission for Employment and Skills' *Ambition 2020* report highlighted, we have been doing just enough in recent years to maintain our middling position in the international skills league and there is little prospect of achieving Lord Leitch's vision of a world-class skills base by 2020.

Major spending cuts on skills will drag us further down the international skills league table and there is little likelihood that employers will put their hands in their pockets to compensate for any shortfall.

Despite a range of voluntary approaches developed to encourage employer investment in skills over recent years, a third of employers continue to deny their staff any training. Last year, 10 million workers received no training at all.

The consultation rules out new levers to increase employer investment, including the UKCES recommendation to make greater use of occupational licences to practice.



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Individuals will struggle to pay towards their skills development while the economy remains weak, so it is essential that the existing skills entitlements are preserved to safeguard the most vulnerable in our society.

Staff access to training looks set to be

further undermined by the government's deregulation agenda. The recently announced consultation on the right to time off to train looks like a cover to weaken the right as a favour to business organisations which consider support to train staff as nothing

more than burdensome red tape.

Ultimately, the government's wider cuts and red-tape agenda will undermine many of the positive proposals in its skills strategy.

*Brendan Barber is General Secretary of the TUC*

## Colleges have a key role to play in creating a genuinely demand-driven system that is responsive to local needs and circumstances, writes **Lynne Sedgmore**

**T**he 157 Group of 28 large, successful colleges in England has been arguing for some time that cuts in public expenditure must seek to avoid hitting frontline services and concentrate instead on increasing efficiency, reducing bureaucracy and streamlining intermediary bodies.

We welcome the principles set out in the Department for Business, Innovation and Skills' consultation papers on further education and funding, particularly the emphasis on enabling providers to respond directly to the demands of individuals and

employers. We believe that individual adults and individual employers are the best judges of what skills training and education – if any – they should undertake, and which training organisation and qualification will best meet their needs.

The funding mechanism for the sector has become increasingly complex and fragmented, and we welcome the steps already taken to reverse the focus on national targets and intermediary bodies' demands, but more can be done. A free market should be allowed to operate in relation to the development

and regulation of qualifications, and instead of a split between initial vocational training for young people and continuing vocational education for adults, we advocate the return to a single post-16 funding body, shorn of its planning aspirations. This would simplify administration at the centre and in colleges and save significant sums of money.

At a time of fiscal constraint, public funds must be focused where they deliver maximum benefit, which does not mean a one-size-fits-all policy-driven approach from Whitehall. Colleges are well-placed to drive maximum

local flexibility in a genuinely demand-driven system to meet local needs and offer the best guarantee of value for money. We stress also the importance of focusing on fair access and support to those who genuinely need it. The core principles of equality and diversity must continue to be fostered and upheld.

Where public expenditure simply replaces existing private investment, such as in the Train to Gain programme, it should be cut. A well-constructed apprenticeship programme with a good employer is one of the best routes into employment and should be strongly encouraged. There is a real danger, however, that a well-intentioned attempt to promote the availability of apprenticeships more widely might compromise the very things that contribute to their current high status. We would like to see apprenticeships develop in a market-driven manner, with employers contributing to their cost, in cash.

There should be a consistent approach to co-funding across all types of training and development. We would support investment in learning accounts if they could be a means of helping individuals co-fund learning, but this would represent a radical change from current proposals. They should also assist expansion in adult education and development, beyond just vocational skills provision.

Previous governments do not have good track records in forecasting future skills needs and we feel that, in general, priorities

should be left to individuals, employers and providers. Colleges and other providers are capable of responding rapidly to market signals, without extra bureaucracy to make them responsive.

A well-functioning market for skills requires the provision of clear and accurate information to help the users of the service make informed choices, which is quite different from the information needed by a bureaucracy to performance-manage a system. The 157 Group is keen to work with others in the sector to consult with employers and individual users about the development of a 'food labelling' approach to publishing such information.

We believe that the new Qualifications and Credit Framework could help colleges respond more flexibly to the needs of individuals and employers, but are concerned about it prioritising whole qualifications or specific combinations of units.

Members of the 157 Group, all principals of highly successful colleges, are ready to offer strong leadership of a demand-led learning and skills system that reflects and responds to local needs and contexts, to help restore this country's economic health, social wellbeing and civic pride.

*Lynne Sedgmore is the Executive Director of the 157 Group*

## The government must be bold and move towards a demand-led open skills market with a single FE budget open to all providers, argues **Graham Hoyle**

**T**he new government has got off to a good start with its prioritising of apprenticeships as the flagship skills programme. However, we need ministers to be even bolder if we want to avoid a lost generation of young people and a raft of employers complaining that they don't have the skilled recruits available to take advantage of any upturn.

The two Department for Business, Innovation and Skills (BIS) consultation documents on a new skills strategy and a simplified funding system contain some encouraging proposals which take account of the tight fiscal climate in which providers are now operating, and the Association of Learning Providers (ALP) hopes the outcome of these consultations will produce the following:

- Further progress towards a demand-led open market with a single FE budget open to all providers from the public, private and third sectors;
- A preferred supplier register which would help drive up the quality of

delivery;

- Providers rewarded for successful outcomes rather than payments based on time spent learning;
- A greatly simplified quality-assurance system supported by independent inspections; and
- Increased use of modern IT solutions, such as electronic signatures, to reduce frontline delivery costs.

We welcome the moves by both BIS and the Department for Work and Pensions (DWP) to look at sustainable employment as one of the most appropriate outcome measures of their employment and skills programmes, but a much more substantial impact on employment could be made if the DWP, BIS and the Department for Education agreed a joint policy and channelled funding through a single procurement agency which could commission integrated employment and skills provision for young people, including NEETs, and adults.

As John Hayes acknowledged at the Association of Learning Providers (ALP)





**“At a time of fiscal constraint, public funds must be focused where they deliver maximum benefit, which does not mean a one-size-fits-all policy-driven approach from Whitehall”**

annual conference in July, the majority of apprenticeships are delivered by ALP's independent work-based learning provider members. One of his first announcements on entering office was to set a target of an additional 50,000 apprenticeship places to be filled this year, and the latest indications are that this will be easily exceeded.

So, once again, the independent provider sector has demonstrated its flexibility and ability to respond quickly to changing priorities by delivering excellent results for the government. However, we can do even more if the government introduces a single-line budget for adult skills which is open to

any quality provider from the public, private and third sectors, rather than restricting it to colleges as is currently proposed.

The Prime Minister is writing press articles about introducing more choice and competition into the delivery of public services. In his *Strategy for Sustainable Growth*, Vince Cable commits to promoting free and open markets and says that he wants to ensure that what the public sector does spend encourages increased private-sector investment. The document itself states: 'Without open markets and enhanced business investment, we will not be able to compete in the world in the years ahead.'

To us, it would look very perverse if BIS adopted a skills strategy which clearly contravened these principles. ALP members would certainly attract more private investment if their backers knew that they were operating in a truly open market. So, if ministers want more results like 50,000 apprenticeship targets being easily met, they should end ring-fencing of all skills budgets now and let my members get on with the job of equipping British business with the skills needed to get out of the recession.

*Graham Hoyle is Chief Executive of the Association of Learning Providers*



## Recognise that all kinds of learning can be worthwhile and give learners greater control over their destinies, says **Ian Searle**

**B**y definition, U3A members are not in full-time employment and by far the majority of them have little personal interest in further training. They are, however, all members of the 'Big Society' and most of them are very interested in its health. Furthermore, a number have been involved in their working lives with further education (FE). Many of the rest have children or grandchildren whose futures are also dear to them. We are, then, interested in proposed developments in FE provision.

The immediate problem is to create a healthy economy and there are two major difficulties to be overcome. The first is the general mismatch of skills in the workplace which needs to keep pace with competitors, including those from overseas. The second is to guide potential workers and learners to opportunities which will be of personal and national benefit. The skills consultation paper meets these challenges squarely and is to be welcomed.

The thinking which underpins the concept of the Big Society is evident throughout the

consultation paper, even though the purpose of the consultation is to improve the provision of all kinds of training. 'Learning is not just about developing skills for employment,' it says, 'learning also helps create a better society.' Indeed, there is an obvious need to promote learning for many reasons, and one of them is to persuade those already in work that they can benefit personally. We must also persuade those employers who do not currently appreciate the value of learning, that their own prosperity can be enhanced with a better-educated workforce. For that reason, we welcome the suggestion that employers should play more of a part in provision. There are already excellent examples, including many of the larger companies and the work done by unionlearn. However, what is needed is a change of public perception in which learning of all kinds is seen as worthwhile and even enjoyable.

For too long, public attention, such as it is, has been given to schools and universities, especially, of late, to universities. FE provision is often seen as of less importance, yet, at the

same time, consumers are acutely aware of the dearth of tradesmen or complain of the poor service they receive from commercial companies. Careers guidance has been far from good in the past and, with an ageing workforce, guidance for adults has never been more important.

Perhaps the most attractive feature of the consultation is its promise of greater choice for those who need to take advantage of the learning on offer. Education should not be centrally directed when needs vary locally or regionally. Individuals and the institutions set up to help them learn, must be sensitive to local needs. They will succeed, as we have found with older learners, when learners themselves feel they have greater control over their own destinies and their learning.

*Ian Searle is Chairman of the Third Age Trust, the national representative body for Universities of Third Age (U3As) in the UK*

## The focus must be on a 'bottom-up' approach with employers building partnerships with local providers, argues **Susan Anderson**

**S**ifting through her post one morning, a business leader finds a letter asking 'How can the skills system best help you?' Without hesitation she pens the following reply: 'We already invest in skills because we know it improves our bottom-line. But sometimes it feels like the system just isn't listening. It can be hard to find the best provider or the right programme. Public funding is a great help, but is not always available for what we really need.'

Reading through the government's skills strategy consultation paper our fictional business leader would find many reasons for encouragement. The vision at the heart of the strategy – of empowered consumers and responsive providers – is the right one. Employers themselves know the skills that will best help their businesses and it should be their choices that drive the system. Until recently, the importance of meeting central qualifications targets meant there was, too often, a mismatch between what employers wanted and what providers were able to offer – causing frustration to both sides!

The focus must now be on a 'bottom-up' approach with employers building partnerships with local providers. But if the market for training is to operate effectively a number of barriers must be overcome. How will our employer be able to find the

best provision? There must be clear and easily available information on providers – particularly business and learner satisfaction rates and the impact training has on performance.

The government has recognised that the shackles must come off providers so they are free to respond more effectively to local demand. The steps ministers have already taken, for example in giving providers greater freedom to shift funds between programme budgets, are in the right direction.

There must be a strong vocational training offer for employers, and businesses will applaud the emphasis being placed on high-quality and employer-led apprenticeship provision. Apprenticeships provide practical, business-focused training that delivers benefits to businesses and apprentices. But successfully expanding apprenticeship provision will require steps to cut back on unnecessary bureaucracy and work to ensure the content of apprentice qualifications is business-relevant.

It is also vital that more talented young people are encouraged to take up the apprenticeship route. Ministers have rightly identified the need to address young people's and parents' perceptions of vocational training. Improved careers advice

must make clear that an apprenticeship is a passport to a successful career and not a secondary choice for those who don't excel academically.

With public spending under pressure, difficult choices will have to be made on where to allocate public support for training. Now, more than ever, every pound the government spends must deliver a clear return, while employers know they will have to co-fund more provision. So while public funding should continue to address market failure on lower-level skills, there must also be an emphasis on developing the skills that will boost competitiveness. The priorities must be apprenticeships, intermediate-level programmes, and addressing shortages on science, technology, engineering and maths skills.

And one final plea from our fictional employer: 'The voluntary approach to supporting skills works best and please continue making the system more responsive. More regulation through levies or licences to practice would be ineffective.'

*Susan Anderson is Director of Public Services and Skills, CBI*

## The proposals don't go far enough in creating a funding and policy framework that sustains adult learning, especially in the most disadvantaged communities, writes **Peter Templeton**

**J**ohn Hayes' foreword to *Skills for Sustainable Growth* is welcome. Learning should be about more than skills alone, should challenge orthodox assumptions and build a 'big society'. I'm glad he says:

We need to recognise that formal vocational training is not appropriate or needed by everyone. To help create a 'big society', we need to empower communities to develop the informal lifelong learning opportunities in which they want to participate.

Do the consultation proposals meet the minister's vision and desire for change? What is new in them?

The consultation talks about 'local leadership' – a broad guiding coalition engaging local authorities, employers, colleges and universities, civil society organisations and others. This should pool resources and avoid duplication. However, a culture of trust and co-operation will depend upon a clear distinction between commissioning and providing roles.

The notion of 'minimum contract size' is crucial; any system needs to be accessible for voluntary and community organisations whose defining strength is often being small-scale, local and innovative.

This is not a 'funding simplification' that benefits learners or providers. Whilst the potential savings to the Skills Funding Agency are clear there are real dangers that new providers won't be able to enter the system except through patronage of existing contract holders or that they enter with quite high contract values leading to risk. The voluntary sector must be able to secure funding in an equitable way, otherwise minimum contract values could lead to monopolies, restrictive practice and false partnerships.

The proposals still leave part-time adult learning vulnerable to loss of funding or subject to inappropriate requirements and entirely vocational agendas. It is important that we maintain a separate funding stream for Adult Safeguarded Learning – a small but really vital part of the further education budget. Recent work to develop and reform it is on hold but should be resumed.

Funding simplification must not impact

unequally on the most disadvantaged adults. Learners on income-related benefits and those studying certain literacy and numeracy programmes should continue to be fully funded in a system that is simple but also clear about priorities.

The potential of the Qualifications and Credit Framework (QCF) is undermined if it's used as a proxy for 'skills' – discouraging providers from responding with quick, tailor-made local opportunities for groups of new learners. Awarding organisation charges are escalating and, until all adults feel the QCF is indispensable to their use of learning, it mustn't be their only 'co-investment' choice.

The coalition has proposed a move away from bureaucracy and targets. It sees transparency of information as key to informed consumer decisions and accountability of

**“It is important that we maintain a separate funding stream for Adult Safeguarded Learning – a small but really vital part of the further education budget”**

organisations, but these consultations propose continuity rather than change with the top-down 'simplifications' of the Framework for Excellence (FFE) as the basis of information to support learner choice. The Framework is not suitable in its current design for part-time adult learners, with unreliable metrics and too many false assumptions made about the nature of providers. These points have been made before but the FFE will not promote diverse and responsive providers or engagement with adult learners' needs and intentions.

Most of all, in times of austerity, we need a funding and policy framework that sustains adult learning, especially in the most disadvantaged communities. The proposals don't go far enough in this direction and are yet to meet the minister's vision.

*Peter Templeton is Director of Education and Strategy, Workers' Educational Association*



**We must support the minister in ensuring that personal development and the joy of learning stand alongside employability in everything we do, says **Tricia Hartley****

**I**n their February 2009 paper, *Labour's Failure on Skills*, the Conservatives attacked the previous administration's skills policy, arguing that the country's skills were 'in a very poor shape to cope with the economic recession'. They criticized Labour's 'top-down' approach, based on targets, brokerage and the Train to Gain scheme, as ineffective and wasteful, and argued that there was a substantial gap between their 'fantasy policies' and reality.

The new government's early pronounce-



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ments on skills and adult learning have pursued this approach with great consistency. Within weeks of his appointment, Minister of State John Hayes announced reduced bureaucracy for FE and major cuts to Train to Gain, with funds diverted to create more apprenticeships – and in every speech he has stressed his commitment to adult learning.

The consultations invite comment on simplifying the system and making it more effective, asking: how ‘training that adds real economic value’ can be prioritised while adult learning is supported and valued, private investment maximised and ‘more limited’ public investment targeted effectively; how providers can be freed from bureaucracy while remaining accountable; and how businesses can best support learning in local communities.

So far, so consistent – and so encouraging. John Hayes obviously genuinely wants to hear our views – but he is seeking advice on areas that have proved intractable previously, at a time when funding and recessionary pressures are greater than ever before. So it is vital that the sector responds constructively and positively, but without making light of

the challenges we face. We must provide evidence and arguments to help the minister avoid the temptation to prioritise immediate, visible economic benefit over longer-term, harder-to-track social benefit, or the needs of employers, hard-pressed as they are in the current climate, over the needs of individuals, particularly those individuals who have no work or whose work is insecure, to avoid creating an underclass in hard economic times.

In moving from targets to outcomes, we must identify ways to prevent cherry-picking and ensure that inclusive approaches become part of our definition of excellence. In establishing the Banks review’s expectation that individual and employer contributions are a prerequisite for drawing down public funding, we must find ways to ensure low-waged areas do not suffer in comparison with their more affluent neighbours. And in responding to the less high-profile consultation on offender learning announced in August, we must help meet the needs of the most vulnerable as fully as those of other learners.

Perhaps most challenging of all, we must

help the minister work with his apparently rather less open and consultative colleagues at the Department for Education to ensure the individual learner remains the focus of our efforts, and that personal satisfaction and the joy of learning feature alongside employability in everything we do. If we can do this, we can help him meet his own commitment:

I am determined to have an education system that meets the needs of all those it is serving from start to end: young and old, at school, college or university ... [The] value [of our work] is to be measured not just in notes and coins, but in achievements, enjoyment and satisfaction. Our skills system is about people, whether they are in college, work or adult education. It must be about them at the end of the day and it must serve them efficiently and effectively. This is, and always will be, my number one priority.

*Tricia Hartley is Chief Executive of the Campaign for Learning*



## Ministers have set out the government's priorities for adult education with energy and passion, but little of that vision appears to have made it into the consultation papers, says **Alastair Thomson**

**M**inisterial speeches and articles have set out the government's priorities and preferences but little of that passion and energy seems to have been captured in *Skills for Sustainable Growth* – the consultation on the future direction of skills policy – nor in the catchily titled *Simplified Further Education and Skills Funding System and Methodology*.

One of the critiques of FE that resonates with many of those involved with teaching and learning is that the system is over-centralised and micro-managed. In addition, the government in Westminster is committed to a smaller state with less bureaucracy and regulation. The current consultations though appear too ready to invite the design of more well-meant but complex interventions. The risk here is that the system ends up stifling rather than empowering teachers and trainers and seems to mistrust the professional ability and judgement of further education

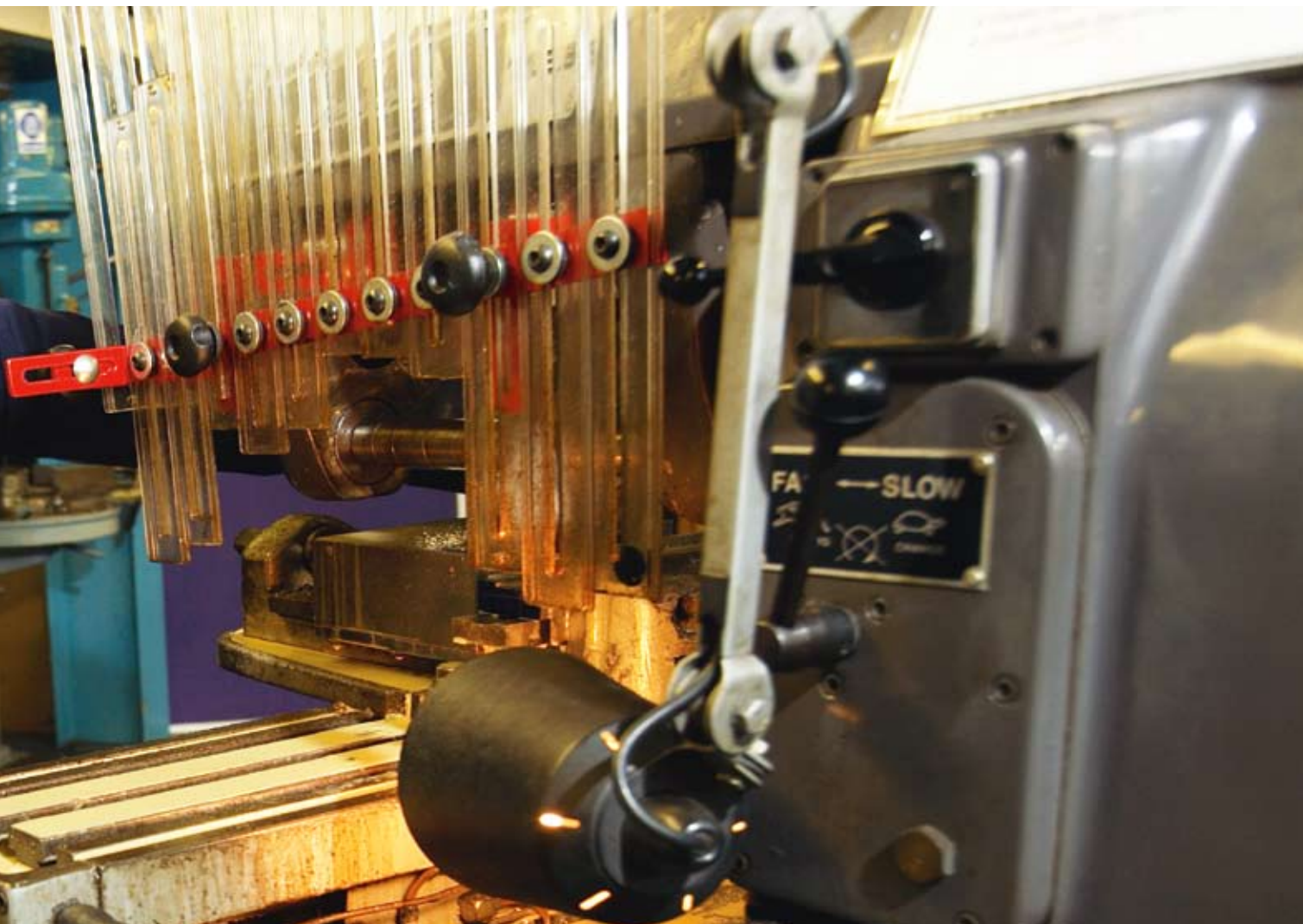
providers.

There is a worrying mismatch between the Prime Minister's vision that 'Learning isn't just about consuming chunks of knowledge in order to be able to do a job. It's about broadening the mind, giving people self-belief, strengthening the bonds of community', and the narrower, more utilitarian, approach of the consultation.

Building an internationally competitive skills base is one of eight departmental priorities for Vince Cable and his team and there are five associated actions [see box right]. When it comes to reforming adult and community learning, the government says it wishes to 'involve more voluntary organisations, charities and social enterprises as providers to develop greater community involvement and ownership'. It also wishes to 'encourage joint working across local services and with self-organised groups'.

### **Actions to build an internationally competitive skills base**

1. Raise the quality and scope of the apprenticeships programme as the primary route within a re-focussed programme of work-based training.
2. Subject to the Spending Review, explore other training measures to get Britain working, including Service Academies, working with the Department for Work and Pensions.
3. Enable people to choose the learning that will help them achieve their goals, and empower and inform learners so they can hold colleges and providers to account.
4. Set colleges free from direct state control and abolish many of the further education quangos. Ensure public funding is fair and follows the choices of students.
5. Reform adult and community learning.



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NIACE's consultation response (available from [www.niace.org.uk](http://www.niace.org.uk)) tries to translate the Prime Minister's vision and the department's priorities into the design of a new skills strategy.

It starts by arguing for an expansive vision of adult education as a continuum that builds social as well as human and personal capital. The consultation recognises that the strategy should result in cultural and social as well as economic benefits, and that the system should empower individual men and women to transform both their own lives and those of their communities. To be inclusive, however, it should take more account of higher education. Universities, colleges and other providers form, for adults, a single 'learning ecosystem', and coherent skills policy-making is not helped by treating further, higher and community education as separate silos which are seldom joined up. The Liberal Democrat manifesto proposals for a single Council for Adult Skills and Higher Education may merit revisiting and assessing against Conservative plans for a single Further Education Funding Council.

While the strategy should be inclusive and expansive, it must be concerned with how

education and training can help people enter, thrive and progress in the labour market – while using public investment to support and protect those who face the greatest barriers, and who may be furthest from the labour market. But the strategy needs also to build agency, self-confidence and self-reliance. This means encouraging informed and empowered choice.

Motivation to learn is a key curriculum challenge for any skills strategy – and the experience of adult educators is that a confidence and appetite for learning can be developed through a wide range of programmes, not all of which need to be formal and certificated.

The danger though is that less formal provision becomes easier to marginalise and cut. The funding consultation suggests that there are two options for the future funding of adult learning. The first gives providers a single adult responsive budget, the second keeps a safeguarded budget for provision for adults outside the Qualifications and Curriculum Framework, and shifts substantial volumes of work currently made under the Adult Learner Responsive Budget into the safeguard – but says nothing about why, or

what this means for budget totals.

NIACE invites its members' views but we believe that the first option is a bad idea if the vision described above is to be realised, whilst the second begs questions and will only work if there is enough money attached.

The whole notion of a safeguarded budget for adults came about in 2003 because the then-minister, Ivan Lewis, recognised that there is an unacceptable risk that adults – particularly those taking their first steps into learning, or those outside the labour market – will lose out when budgets are tight, unless they have ring-fenced protection.

The safeguard was initially set at three per cent of the Learning and Skills Council budget (then around £300 million), and shrunk each year to its current cash-limited £210 million. Without its protection, and a fund for innovation, like either the Transformation Fund or the Conservative proposals for a £100 million per year Community Learning Fund, it is hard to see how ministers' vision can be realised, or local aspirations met.

*Alastair Thomson is NIACE's Principal Policy and Advocacy Officer*

A close-up photograph of an abacus, a traditional calculating tool. It features several vertical wooden rods with dark, round beads. The background is brightly lit, creating a strong contrast and casting shadows on the surface below.

The fees  
system is  
broken –  
so let's fix it

# Reforming the fees system in further education in England requires not only a change of mind but also a shift in culture, with everyone in the sector thinking differently and seriously about co-investment, says **CHRIS BANKS**

**A**fter a couple of minutes reflecting on my introductory presentation of the findings of my Independent Review of Fees and Co-funding in Further Education in England, a young man put up his hand and said: 'Hang on a minute, so you're saying that government just assumes people pay their fees? How can you manage millions of pounds of public money like that?'

During the course of the review process, I spoke to many, many people, but none of them encapsulated the problem with the current system quite as clearly as this young adult learner, who experiences the further education sector first-hand every day and relies on it for his future. He had incredulously captured the way assumption has replaced a proper structure, the potential waste of money and the risks of unfairness.

What is so striking about the assumption of 'fees' within the FE system is the contrast with the clarity and focus in other areas, such as targets for increasing participation.

We have ended up with a system in which co-investment contributions from individuals are half what they should be while those from employers are not measured, not cash and not substantial. For the academic year 2010-11, there should be around £1 billion of investment from individuals and employers across Adult Learner Responsive and Employer Responsive funding streams. This is money only from those who should be able to pay, which should allow government money to be used where it is needed most, and which should support the FE sector as it provides the education and skills we all need. All the data suggest this figure will not be realised.

It was from this starting point that I assembled the review group and we began our examination. Many of the problems with the current system were evident to all of us, and, indeed, to those we consulted. Although the solutions were less instantly apparent, our journey led us to a range of recommendations based on principles we can all share: principles of simplicity, fairness and stability, with the learner or employer at the centre. I am very grateful to the representatives of employers, adult learners, colleges, training providers and others with an interest in adult education who helped the review reach its recommendations for providing their support. Mark Ravenhall and Peter Lavender brought particularly insightful perspectives from NIACE and adult learners.

The simplest and potentially most powerful of the recommendations is the introduction of a system in which government funding follows and supports the choices and contributions of learners and employers. Within such a system of matched funding, colleges or training providers should access government contributions to funding only once they have secured the contribution of learners or employers. Colleges and training providers should be able to set the price they want to charge a learner or employer, and should be matched for that price up to a maximum. They can, if the market allows, charge more than will be matched. Ultimately, a system of learning accounts should provide the means to perform this matching at a more personalised level.

## **Co-investment contribution**

In order for learners to truly be at the centre of such a system, they have to be able to meet the cost of their co-investment contribution. In higher education, a system of fees was introduced with a complementary system of loans. In HE currently there is a fee-loan system; in FE, there is a fee system, of a sort, in which there is an assumption that individuals or employers can afford to pay their co-investment contribution. I have therefore recommended the government examines more closely the system of financial support available to FE students, and looks to expand the Professional and Career Development Loan system as a first step.

In order to use their financial power to achieve maximum benefit, individuals and employers must have access to information. This applies to all learners in the FE system, fully-funded and co-funded. Colleges and training providers should provide clear information on both the level of public subsidy and the simple cash level of any private co-investment contribution individuals or employers are expected to make. More generally, information regarding quality of provision should be readily available, superimposed upon a reassurance that an approved qualification from an accredited provider will serve that learner well.

These recommended changes must take place in the context of a shift in culture. Everyone in the FE system will have to think differently and more seriously about co-investment. This starts with the Department for Business, Innovation and Skills and its

agencies, for whom the principles of simplicity and transparency must apply most strongly, and extends into individual colleges and training providers, where good practice must be built upon. Throughout the sector, co-investment must be prioritised and language changed, so that we talk up the value of programmes and stop devaluing them by referring to those that are fully subsidised as 'free'. We need to help individuals and employers know they are making an investment in their future.

## **Policy intentions**

This review was narrow in its scope. We were not tasked with making recommendations regarding who should pay fees, or at what level the fee should be set; nor were we asked to consider the funding system for FE in general. We also consciously excluded informal adult learning from aspects of these proposals, lest its ability to engage learners be compromised. Our main concern was the sometimes seemingly unglamorous business of ensuring that policy intentions, often good intentions, do not form the crumbling paving on a road to a rather hellish system when in operation.

Nevertheless, I welcome the consultation on a simplified funding methodology, and its complementary consultation on how to support development of the skills we need for sustainable growth, and await their outcomes, as we all do, with considerable interest. What I am absolutely sure of is that the system has to change. We must not be put off by those who think our new system will be too complicated or difficult to implement. There is no reason it has to be either, unless we choose to make it so.

Co-investment in further education is already an important issue, and, as we face the next few years, it would be naïve to imagine that its importance will do anything other than increase. We need a change. We need an approach which will ensure that quality FE provision receives the total level of investment, from all parties, that it deserves. We need to get started on building a new system ... now.

*Chris Banks chaired the Independent Review of Fees and Co-Funding in Further Education in England. He is a former chairman of the Learning and Skills Council.*

*The report can be found at: [www.bis.gov.uk/co-investment](http://www.bis.gov.uk/co-investment).*

# Skills verdict: must do better

The UK's skills levels have continued to improve, but so too have those of other countries, often at a faster rate. We must do more, and quickly, if we are to continue to compete with the best in terms of productivity, employment and skills, writes **MARK SPILSBURY**

**A**mbition 2020: *World Class Skills and Jobs* is the UK Commission for Employment and Skills' annual assessment, to the four UK nations, of our progress towards becoming 'world class' in productivity, employment and skills by 2020. We define 'world class' as being among the top eight countries in the Organisation for Economic Cooperation and Development (OECD) – effectively, in the world's top eight.

We need this goal because, in a rapidly developing world, there are increasing competitive pressures internationally due to the effects of globalisation, ongoing technological development, and changes in consumer demand. This creates enormous opportunities and challenges to which we must respond if we are to secure future economic success.

*Ambition 2020* provides a robust independent account of economic and skills developments. Fundamentally, too, it enables government to work with business to provide a compelling vision for the future and strategic leadership in the development of the economy, to take stock of ongoing changes, and to take corrective action as necessary to stimulate economic growth, transformation and renewal. In making this assessment, we have developed a strategic framework to provide a basket of indicators which connects various dimensions of the agenda surrounding *Ambition 2020*. This also allows us to measure and track progress in productivity, employment and skills over time and, critically, to benchmark the UK's position internationally with other leading economies.

Last year we published our first *Ambition 2020* report in what we called 'tough times'. The recession was biting deep into businesses, jobs and communities, and economic conditions were extremely testing. Now,

although we are emerging from recession, our focus, as then, must be on the economy and exploring the means to securing economic renewal and growth. We must actively seek to transform and rebalance the economy and to create the conditions needed to ensure sustainable recovery over the long term. The challenge is great, but so is the prize. To edge into the top eight countries in the world, we need to increase our employment rate by close to one percentage point and our productivity levels by 13 percentage points. Every one percentage point increase in each is worth around £10 billion a year: in perpetuity.

## Key findings

This report is our second annual assessment of how well we are doing and what we need to do to achieve this important ambition by 2020. It should be noted that annual changes, relative to the scale of historical change and prospects for the next 10 years, are likely to be relatively limited and not all data sets and analyses are capable of annual monitoring. Nonetheless, we do examine the changes to see if they are moving in the right direction. We also delve in a little more detail into some important areas, reflect further on relevant policy developments and include more sub-regional and local data.

The key findings from the analysis are that:

- The UK remains a significant economic force internationally – it is still the sixth largest economy in the world and the fourth largest in the OECD. However, the World Economic Forum's Global Competitiveness Report ranks the UK 13th in the world – down one from last year;
- On the two key drivers of prosperity – jobs and productivity – we remain within touching distance of being world class. The

most recent internationally comparative data show that the UK position is unchanged since last year, remaining ranked 10th on our 'employment rate' and 11th in terms of our 'productivity rate' – just outside the top quartile of OECD countries;

- In terms of inequality, the UK position (24th least equal in the OECD) has not changed since last year;
- We have continued to make progress in the last year in raising the skill levels of the UK workforce. This continues the positive trend observed over the last decade. We have seen the numbers achieving high-level qualifications increase over the decade by more than three million or 44 per cent whilst the numbers without any qualifications declined by more than 1.5 million or 26 per cent. Over the last two years (2007 to 2009), the proportion of adults not qualified to Level 2, has declined from 30 per cent to 28 per cent and the proportion qualified to at least Level 4, has increased from 30 per cent to 32 per cent;
- Whilst UK skills levels have been progressing, so too have those in other countries, often at a faster rate. So, when it comes to estimating our likely future progress towards the 2020 ambition, we conclude that the UK is unlikely to improve its relative international position. The UK's current international ranking on the three measures of low-, intermediate- and high-level skills, has changed little since last year and longer-term forecasts suggest this is unlikely to improve. Indeed, in the future, we anticipate that the UK will remain in the bottom half of OECD countries on low and intermediate-level skills. On high-level skills, the UK improved so that we expect to be ranked 11th by 2020 – just short of world class.



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In summary, our performance is currently not world class in productivity, employment or skills, and not yet on a trajectory to be world class. To address the issues raised by *Ambition 2020* we believe there are four broad policy principles for driving economic growth through skills and jobs.

First, support businesses to create more jobs and more high-skilled jobs. The UK has too few businesses adopting high-performance working practices, too few treating skills as a long-term investment and too few being ambitious about competing in high-value markets. Leadership and management performance in this country also lags behind international best practice. We have to create a 'fierce urgency of now' and reaffirm our world-class ambitions in skills and jobs by sustaining a supportive business environment, raising business ambition and business leadership, which in turn will create more jobs and more high-skilled jobs.

Second, we must invest in the *right skills*. Simply investing in skills is not enough. Currently, in England, there are 1.7 million people in work who are not fully proficient in

their role, while, at the same time, there are 2.8 million who are estimated to be under-employed. It is clear from this that what matters is investing in the right skills. These are the skills which achieve business success and create opportunities for individuals. These are the skills which effectively meet the changing needs of the labour market.

Third, we need to use information and incentives as the key levers for raising investment in skills. Experience over many years in many countries has shown that it is impossible to plan skills investment. But well-presented, quality information can be used to encourage businesses, individuals and providers to change their behaviour in a rapidly changing world. We need to provide high-quality information reinforced by targeted incentives for business, individuals and providers which give clear signals to both shape and raise the levels of skills investment to achieve our world-class ambitions.

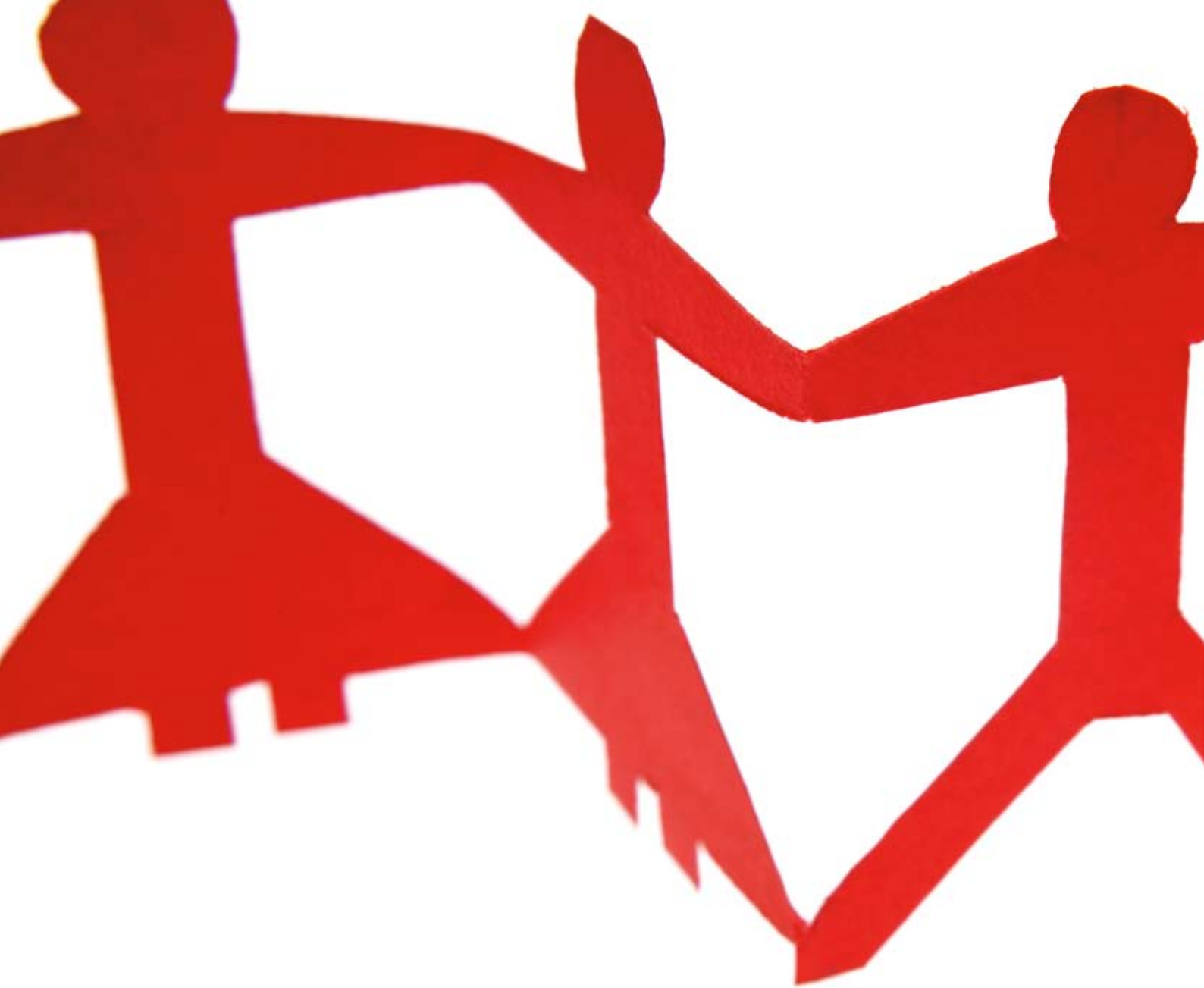
Fourth, we must empower customers, focus on outcomes and place greater trust in providers in the delivery of skills and jobs services, in order to achieve more and

better for less. As leading business people and stakeholders, our commissioners fully recognise the strain on public services, not only fiscal, but the ever-rising expectations that business and society places upon them. As the UK Commission set out in *Towards Ambition 2020: Skills, Jobs, Growth* (October 2009), there are three key areas of reform which will bring a transformation: businesses and individuals should, as customers, be given the power of choice; service delivery should be commissioned on the basis of real-world outcomes; and colleges, universities and trainers should be trusted to serve their communities and markets.

These four principles have been used to develop our more detailed recommendations for action. Commissioners believe that only with substantial, sustained and serious action, taken on all these fronts, will the UK achieve the transformational change required.

*Mark Spilsbury is Chief Economist at the UK Commission for Employment and Skills.*

*The full report can be found at: [www.ukces.org.uk](http://www.ukces.org.uk).*



David Cameron describes his plans for a 'Big Society' as 'the biggest, most dramatic redistribution of power' from state to individuals. But how can we ensure that the best of the vision is realised and the poor and powerless are not left behind, asks **ANNA COOTE**

# Big enough for everyone?



**T**he coalition government wants to build a 'Big Society'. The Prime Minister says 'we are all in this together' and building it is the responsibility of every citizen as well as every government department. The broad vision is welcome, but everything depends on how the vision is translated into policy and practice.

The government aims to put more power and responsibility into the hands of families, groups, networks, neighbourhoods and locally based communities, and to generate more community organisers, neighbourhood groups, volunteers, mutuals, co-operatives, charities, social enterprises and small businesses. The idea is that all of these will take more action at a local level, with more freedom to do things the way they want – and that this

will help to tackle poverty and inequality.

Evidence shows that, when people feel they have control over what happens to them and can take action on their own behalf, their physical and mental wellbeing improves. But the Big Society vision does little to address the economic causes of poverty and inequality. It pays no attention to forces within modern capitalism that lead to accumulations of wealth and power in the hands of a few at the expense of others. Nor does it recognise that the current structure of the UK economy selectively restricts the ability of citizens to participate.

How much capacity we have depends on education and income, family circumstances and environment, knowledge, confidence and a sense of self-efficacy, available time

and energy, and access to the places where decisions are taken and things get done. All are distributed unequally among individuals, groups and localities. Families, networks, groups, neighbourhoods and communities have boundaries that are determined, variously, by blood, law, friendship, duty, obligation, tradition, geography, politics, wealth, status and class. Inevitably, they include some and exclude others, and resources are already shared unequally between them. There is nothing in the government's plans to encourage the inclusion of outsiders, to break down barriers created by wealth and privilege, to promote collaboration rather than competition between local organisations, or to prevent those that are already better off and more dominant from flourishing at the expense of others.

Building this Big Society depends crucially on people having enough time to engage in local action. Everyone has the same amount of time, of course, but some have a lot more control over their time than others. Long hours and low wages threaten to undermine a key premise of the Big Society, which is that social and financial gains will come from replacing paid with unpaid labour.

### **Poor communities**

Over several decades, efforts to breathe new life into poor or 'broken' neighbourhoods have all had the same point of departure: poverty is a problem for poor communities, which are 'vulnerable' to social ills and therefore must be helped to build up 'resilience' so that they are better able to cope. None of these efforts has had a substantial impact on social inequalities or on cycles of deprivation that afflict successive generations. The lesson is that responsibility for tackling poverty and inequality cannot be left solely to those who are disadvantaged and disempowered. There need to be structural changes to the economy, to prevent the concentration of wealth and power in a few hands, leaving others with little or none.

We don't want an overbearing state that depletes our capacity to help ourselves. But we do need a strategic state that is democratically controlled, and that becomes an effective facilitator, broker, enabler, mediator and protector of our shared interests. Without a properly functioning state, society collapses. Democratic government is the only effective vehicle for ensuring that resources are fairly distributed, both across the population and between individuals and groups at local levels. It can and must ensure that fundamental rights and capabilities of all citizens are protected from incursions by powerful interest groups.

The state must provide practical support, information and access to resources for local organisations, so that people with different levels of capacity can have an equal chance of getting together and acting effectively. And, last but not least, the state must ensure that services are in place to meet people's essential

needs regardless of their means (for example, for health and autonomy, education, a fair living income, care and housing). Action by businesses or third-sector organisations can supplement but cannot replace these functions, not least because they usually serve sectoral or specialised interests, rather than those of the nation as a whole. If the state is pruned so drastically that it is neither big enough nor strong enough to carry them out, the effect will be a more troubled and diminished society, not a bigger one.

The Big Society idea is strong on empowerment but weak on equality. On ethical grounds, which are hardly controversial, no-one should be held back by circumstances beyond their control, or suffer unfair discrimination. On practical grounds, there is a growing body of evidence – some of it collected in Wilkinson and Pickett's *The Spirit Level* – that more equal societies are better for everyone, not just the poor, with lower levels of crime and disorder, and better health and wellbeing. Societies with strong traditions of social solidarity and low levels of inequality are better able to cope with shared risks such as climate change. So equality matters a great deal and the implications for the Big Society are profound. It is weak on equality because it is weak on the structural links between economy and society. If the aim is to tackle poverty and inequality, as the Prime Minister maintains, then success depends on how economic as well as social resources are distributed between groups and communities, enabling them to do what, for whom and how.

### Social justice

We shall need a robust social justice framework to make sure this idea is not just big, but fair and sustainable. By 'social justice' I mean the fair and equitable distribution of social, environmental and economic resources between people, places and generations. By 'framework' I mean a shared understanding of how plans for the Big Society will help to achieve social justice, with rules of engagement that make sure these goals are consistently pursued.

Poverty, unemployment and inequality are not problems that communities can solve on their own. If we are to make a lasting difference, we shall need to change systems as well as behaviours, and find fair and effective ways to distribute resources as well as opportunities. The central principle underpinning the vision for the Big Society – that power should be decentralised and people enabled run their own affairs locally – should be extended to the economy, giving people more power to influence the way markets work and their impact on social justice. We need a much more open, accessible economy, with stronger democratic control to ensure that it works in the interests of society and the environment. And we need a state that is transformed by a 'bigger democracy', with widespread engagement and participation by citizens in

all social groups, in government decision-making at national and local levels.

If there's a shift towards more direct action by citizens and locally-based organisations, then it is vital that groups and individuals who are currently marginalised are able and willing to participate. Those with less capacity need help to build up knowledge, skills and confidence, as well as the material means (such as access to information, training, IT and premises) that enable them to take action and stay in business.

Co-production should be at the heart of the Big Society. The term describes a particular way of getting things done, where the people who are currently described as 'providers' and 'users' work together in an equal and reciprocal partnership, pooling different kinds of knowledge and skill. Co-production taps into an abundance of human resources and encourages people to join forces and make common cause. It builds local networks and strengthens the capacity of local groups. It draws upon the direct wisdom and experience that people have about what they need and what they can contribute, which helps to improve wellbeing and prevent needs arising in the first place. By changing the way we think about and act upon 'needs' and 'services', this approach promises more resources, better outcomes and a diminishing volume of need. It is as relevant to third-sector bodies as to government institutions and public authorities. Applied across the board and properly supported, it can help to realise the best ambitions of the Big Society.

Professionals and others who provide services, whether directly in public-sector organisations or in independent bodies, must learn to facilitate action by other people and to broker relationships between them – working *with* people, rather than doing things *to* or *for* them. The New Economics Foundation also proposes a slow but steady move towards a much shorter paid working week, with an ultimate goal of reaching 21 hours as the standard. In a time of rising unemployment, this will help to spread opportunities for paid employment. And people who currently have jobs that demand long hours will get more time for unpaid activities, as parents, carers, friends, neighbours and citizens. A gradual transition, over a decade or more, should allow time to put measures in place to offset the negative effects on low earners. These would include trading wage increments for shorter hours year-on-year, giving employers incentives to take on more staff, limiting paid overtime, training to fill skills gaps, raising the minimum wage, more progressive taxation, and arrangements for flexible working to suit the different needs of employees – such as

job sharing, school term shifts, care leave and learning sabbaticals.

There's no point building a Big Society unless it is viable in the long term. A strong focus on prevention will help to make the Big Society sustainable by reducing demand for services and so constraining future costs. And a shift of values will help to shape an economic order that does not depend on infinite growth with potentially catastrophic consequences for the environment.

### Longer-term impacts

It matters a lot how new ways of working are assessed. What should count are not just

**“It is vital that groups and individuals who are currently marginalised are able and willing to participate”**

short-term financial effects, but the wider and longer-term impacts on individuals and groups, on the quality of their relationships and material circumstances, on the environment and on prospects for future generations. It is also important to notice and take account of the unintended consequences of different actions: these are often overlooked or swept under the carpet, but they can have substantial impacts in the longer term. The best way to arrive at criteria for evaluating local activities is to work with those directly involved, especially those who are supposed to benefit from them, finding out what matters most to them, what they hope to achieve and (later) whether they think that things have turned out as they hoped. It should be this kind of in-depth understanding which informs the design of quantitative research findings (to measure, for example, income, health and experienced wellbeing), that shape judgements about success and failure, and about future planning and investment.

The economic, social and environmental challenges that we face mean that radical change is in order. We need a bigger society, a broader economy and a bigger democracy. We need to shift from our current unsustainable path, to a system where everyone is able to survive and thrive on equal terms, without over-stretching the earth's resources. Only with a transition on this scale can the best elements of the Big Society vision be realised and sustained over time.

*Anna Coote is Head of Social Policy, New Economics Foundation, and author of Ten Big Questions about the Big Society – and ten ways to make the best of it, published by nef*

Type 'Big Society' into Google News and you may feel overwhelmed by the assortment of results it returns: all corners of the media are scrutinising David Cameron's flagship policy, from every conceivable angle. The press went into vox pop overdrive to represent the views of the 'man on the street', and the *Times* even went so far as to run a cerebral comment piece on how the latest Toy Story film captures 'Big Society in action'. A month on from its launch, the Big Society is still getting the nation talking.

While the concept has caught the public's imagination, the greater challenge of fleshing out what the Big Society will actually offer and require of communities is unfinished business. Critics have dismissed the agenda and its accompanying buzzwords – like 'communities with oomph' – as clever phrases with no substance behind them, while others are champing at the bit to get involved but unsure of whether they are meant to be grasping the initiative or waiting for a cue.

Many have also commented on how the Big Society ideal sits somewhat uneasily with the stark reality of looming public spending cuts, and feel its main motive is to fill the gaps left by these. This is something that the government itself is acutely aware of: in his launch speech David Cameron denied vehemently that the Big Society idea had been developed with this in mind.

### Real opportunities

NCVO understands well that many of the principles underpinning the Big Society are positive and provide real opportunities for voluntary and community organisations (VCOs) and the communities they work with. The agenda has parallels with our *Good Society Manifesto*, with its principles of inspiring people to make a positive difference to their communities and devolving power and decision-making to local level. We are pleased that the government has recognised that the voluntary and community sector is integral to the vision of Big Society. However, we are also all too aware that success hinges on ensuring that VCOs have the resources and support they need to play their part to the full.

We have welcomed government proposals to ease the financial and administrative burden on the sector, such as reducing bureaucracy, creating incentives to encourage charitable giving and philanthropy, and setting up a Big Society Bank with unclaimed assets. But the current economic climate makes it all the more critical for the sector to be properly funded and supported.

Feedback from our members and the wider sector suggests that cuts from the public purse are already having a worrying impact on VCOs. NCVO's ongoing 'crowd-sourcing the cuts' exercise shows that many organisations have been hit hard by in-year local authority spending cuts, which could hinder their ability to deliver services where they are needed most.

Our recent research on resilience suggested that one in three operating charities has no funding in reserve, which could leave vital services at risk at a time when the recession has led to a huge increase in demand.

While NCVO recognises that having no cuts is not an option, we are working hard to ensure that the value of the voluntary and community sector is recognised and urging central and local government to think carefully about where and how they are making cuts. Otherwise, there is a real risk of short-term cuts threatening the long-term vision.

While some have sneered at the Big Society vision as a throwback to a golden age that never was, we see community involvement and social action as deeply rooted in British society. VCOs have always created opportunities for

create an environment that enables voluntary action to flourish, it cannot compel people to get involved. Fundamentally, while the government's support for the Big Society is welcome, public engagement with the idea is the yardstick for its success.

The success of the Big Society also depends on local government working effectively and in partnership with VCOs in their area and recognising their strengths and expertise. For example, they are often best placed to reach out to marginalised and disadvantaged groups, and engage them in non-stigmatising ways, thereby giving vulnerable people the skills, confidence and support they need to speak for themselves.

We have long argued that there is a need to rebalance the relationship between the

# Cuts threaten long-term vision

Voluntary and community organisations must be properly funded and supported if they are to play their critical role in realising the Big Society vision, says **STUART ETHERINGTON**

people to participate in community life, given voice to their concerns and aspirations, and provided services and activities that meet their needs. This represents a good base on which to build, but the government also needs to recognise that engagement is not always a simple process, and shaping and running local services requires time, skills and a level of commitment that not everybody will have. Most importantly, while volunteers can complement and supplement the work of paid employees, they cannot replace it.

It is also important to bear in mind that people who get involved with charities and community organisations are motivated by a range of factors. Some may be motivated by their sense of justice or fair play, others may be looking for fun and friendship. Although participation is fundamental to the success of the Big Society, it has not yet garnered much of a mention in the wider debate. Equally, voluntary action needs to be seen as just that: something that people choose to do, not something the government chooses for them. While the government can

state, market and civil society and give VCOs a greater role. The sector will play a key role in tackling some of the biggest challenges facing us in society, including climate change, meeting the needs of an ageing population and supporting those most affected by the economic downturn. But we all need to work together to make the most of this opportunity.

The Big Society is potentially a very exciting agenda, with its promise to shift power from politicians and empower people to make a positive difference to their communities. However, there is a long way to go in shaping and refining the vision, developing its good points and ensuring that it doesn't slip down the agenda in the face of other government priorities or cuts. Over the coming months, NCVO will be helping to shape the debate as a voice for the sector, and looking to build not just a bigger society, but a better one.

*Sir Stuart Etherington is Chief Executive of NCVO, the National Council for Voluntary Organisations*



# The Big Society must

Creating a 'Big Society' demands that we see the merits of a wide range of learning programmes and ensure continued financial support for provision tailored to the disadvantaged, argues **STEPHEN BUBB**

**T**he coalition has stated its ambition to create a 'Big Society'. This represents an attempt to alter the relationship between citizen and state, loosening the vertical ties that exist between government and the individual while strengthening the informal bonds of neighbourhoods and communities. This agenda runs through the overwhelming majority of government activity, and has clear relevance to adult education.

Plato observed that 'By maintaining a sound system of education you produce citizens of good character'. Indeed, if civic action is to be a central pillar of the Big Society, then adult learning represents a crucial means of enabling more active and engaged citizenship. Before this can be achieved, however, certain more prosaic concerns need to be addressed.

Like the voluntary sector, the adult learning sector is one in which the day-to-day reality for organisations routinely falls short of the heady rhetoric of government. Radical reforms have been announced in recent years but ample funding to support new programmes has remained elusive as the sector struggles to

maintain the same political profile as schools or universities. This recurrent theme of funding echoes the essential practical issue at the heart of the government's Big Society agenda – how can we provide adequate financial support to strengthen civil society in a time of fiscal austerity?

So far, the messages coming out of government on further education have been encouraging. From the £6 billion of initial spending cuts, £200 million has been earmarked for reinvestment in further education through an expansion of apprenticeships and capital spending on college infrastructure. Colleges have also been promised a central role in the forthcoming Local Enterprise Partnerships, using their knowledge of learners and communities to help define local economic priorities. Furthermore, skills minister John Hayes has repeatedly spoken of the social and cultural benefits of learning. In his first keynote speech, Mr Hayes said of adult education that it 'brings hope and the promise of a better society founded on social mobility, social justice and social cohesion'. These are the

sort of noble aims which drive many of the Association of Chief Executives of Voluntary Organisations' learning and skills members, such as Red Kite or Signature.

## **Vital tool**

Adult learning can be a vital tool for personal development, especially for disadvantaged or vulnerable individuals. For those people who have had negative previous experiences of education or those who are recovering from illness, learning can provide a cherished source of confidence and social engagement. Similarly, adult learning can act as a vital stepping stone towards future employment through building basic literacy and numeracy skills. These areas are ones in which the voluntary sector is particularly effective, delivering trustworthy services at the heart of communities with compassion and patience towards service-users.

Last year's Learning and Skills Council report on third-sector learning provision strongly supports this case. The report found that third-sector providers take a more holistic approach to learning, investing



# be a learning society

considerable time and effort in mentoring, one-to-one tuition and personal support. Such a personalised and flexible approach was seen to be central to their success in engaging hard-to-reach learners, many of whom found that the voluntary-sector learning environment enabled them to 'discover a new motivation to learn and find work'. Moreover, such providers were found to work in closer partnerships with other agencies, such as Jobcentre Plus, Connexions and social services, to meet learners' needs in a joined-up manner.

The key question, however, is how do we ensure that the social and cultural value of education is not lost amidst the more utilitarian agenda pursued by central government? The role of adult education in building social capital too often plays second fiddle to skills development in key areas of economic growth. The often singular focus on funding for those courses with the highest economic returns overlooks the broader social returns of education. Studies show that the social benefits of learning are legion, including better health, improved self-esteem and greater community engagement. The recent Marmot review of health inequalities pointed to evidence that adult education leads to more positive health behaviours such as increased take-up of exercise and greater likelihood to give up smoking.

It is difficult to ignore the fact that the promised reinvigoration of adult education is

occurring against the backdrop of extensive cuts to public spending and calls for greater employer and individual co-investment in the costs of learning. The review of further education published in July by Chris Banks called for a reconsideration of public funding so that it prioritises learning which creates the highest economic return. In such a reformed funding system there is a danger that we might entirely miss the broader civic value of 'learning for learning's sake' or that help for vulnerable individuals is misinterpreted to purely mean workforce development and pre-employment training. To ensure the creation of a Big Society we need to be able to see the merits of a wide range of learning programmes, from plumbing to Pilates.

### **Based on outcomes**

The present atmosphere is not all doom and gloom, however. The government's current consultation on funding methodology addresses the need to move beyond funding based on inputs such as hours spent in a classroom towards funding based on outcomes such as getting people into work or more fulfilling jobs. At the Association of Chief Executives of Voluntary Organisations, we have been arguing for services based on outcomes for a while, and feel that this is something which the voluntary sector is well-placed to deliver on. Those learning providers who can effectively deliver upon such outcomes will be rewarded for doing so and enabled

to scale up their activity or build the reserves essential for future survival.

To secure the type of learning necessary for creating the Big Society we will need to ensure continued financial support for provision which is tailored to the disadvantaged, including Skills for Life, Safeguarded Adult Learning, offender learning, and provision supported by the European Social Fund. Additionally, we will need to ensure sufficient financial support for informal community-based learning, promoting a robust argument about its manifold social benefits wherever possible. In a time in which the public purse is under strain and a private sector recovery looks tentative, innovative methods of funding and provision must be sought. New methods of provision, such as e-learning and distance learning, must be pursued, and new sites of learning, such as empty retail spaces, may have to be found.

NIACE's figures suggest that current or recent participation in learning has risen to 43 per cent, the highest level for a decade, with the largest increases coming from traditionally underrepresented groups. This momentum needs to be built upon if we are to hold the government to its own promises and create a Big Society with substance.

*Stephen Bubb is Chief Executive of ACEVO, the Association of Chief Executives of Voluntary Organisations*

# A right worth fighting for

The government is consulting on the future of the right to request time to train. Not implementing the legislation in full would mean missing an opportunity to boost productivity and transform the work and life prospects of employees, says **RICHARD BLAKELEY**

**D**ear reader, please allow me to get straight to the point. The statutory right to request time to train for all employees is the right way forward for UK plc and for workers. The coalition government not implementing this legislation in full would be a backward step.

How can I say this with such certainty? Because the status quo in which a third of employers don't train their workers and 10 million workers receive no training is not a competitive position in the modern world. Because, with 74 per cent of our 2020 workforce already in employment, we can't look to raised standards in the state education system to provide all of the solutions. And because the voluntarist or free market model has not delivered a sufficient acceleration in skills acquisition. We need to encourage more discussion at work about training. This is what the right to request does.

The right to request time to train only offers part of the answer but could transform workplace training. The government's impact assessment projects that 146,000 extra people may be participating in training in its first year. But just weigh this up against the UK Commission for Employment and Skills' projection that just one per cent more workers (circa 300,000) participating in training could increase productivity by 0.8 per cent, equivalent to adding around £8 billion to GDP: £2 billion added to the bottom line of UK plc. In other words, if there are 146,000 extra learners this year as a result of the right to request time to train, that's almost £4 billion in GDP and £1 billion added to the bottom line of UK plc.

And what about the benefits for workers? We all know that the opportunity to learn new skills or acquire new knowledge helps personal development and can improve prospects at work, enhance flexibility and employability, and boost confidence, morale and productivity in work. We at unionlearn have been gathering evidence of attitudes and experience relating to the employment right so far. It is still very early but we know that the benefits of the legislation will come through. Our polling before the right became operational in April found that two-fifths of employees would consider exercising

their right to request time to train. And in a survey of union representatives this August, four months into the new right, of 500-plus responses three in 10 respondents said they had supported a member to make a request for time to train. Around four-fifths of those requests led to an agreement with the employer to support the member's training aspirations. A modest but very promising start.

## Extensive consultation

There was extensive consultation with the TUC, CBI and other partners in 2009 about the introduction of this employment right and it enjoyed widespread support. The right to request time to train passed through

dialogue on training. Good employers already train and encourage employees to ask.

Some employers' organisations have raised concerns about the costs to employers of this new regulation. But let's take the figure in the government's regulatory impact assessment that the projected gross cost across the nation of this right in the first year will be £468 million in the first year. When you break this down, the estimated average cost for an employer to administrate a request from an employee once a year is £90 (and that's working time, not a payment). Beyond that, where the employer agrees to support the employee (which, under the terms of the legislation, would be because the employer

**“There is a genuine opportunity here to boost skills from the bottom up, with the prospect of an improved bottom line for all of us”**

parliament with the broad support of all the political parties just before the general election. And let's not forget that the right to request time to train has only been in place for five months for workers employed by larger employers (250-plus employees). Until the government announced its consultation on the 'future of the right' this month, we were certain that workers employed by small and medium-sized enterprises would also be able to make statutory requests for training from April next year. This employment right now faces an uncertain future until the government makes a decision later this year, and with it the training prospects of thousands of British workers are also uncertain.

What do employers have to fear? This employment right is the right to request but employers can refuse. The aim is to encourage more discussion on training and give employees more confidence about asking. Most employers welcome this and want more

agrees that the request is in the business interest), the 'cost' is arguably an investment. Our survey showed that, in most cases, employees did not need to use the formal process and the cost was less than £90.

So, to conclude, a set of pleas. To our coalition government, don't throw the baby out with the bath water: this legislation could make a real difference. To employers, this legislation promotes productivity through greater skills accumulation and will contribute to the bottom line. And to workers, take the opportunity to put an investment proposal to your employer: if you are successful, it will be to your mutual benefit. There is a genuine opportunity here to boost skills from the bottom up, with the prospect of an improved bottom line for all of us. What is there really to lose?

*Richard Blakeley is unionlearn's Policy and Campaigns Officer*

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# adults learning e-magazine



This month we launch the first-ever e-version of *Adults Learning*, giving subscribers and NIACE members full electronic access to each new issue as well as the whole previous volume – all at the click of a mouse.

The *Adults Learning* e-magazine features: facilities to search content, highlight text and make notes directly on the page; fully linked tables of contents and web links; a text-zoom function and accessible plain-text version; and bookmarking and content-sharing facilities.

We're offering all readers an opportunity to access the e-magazine for free, simply by going to [www.niace.org.uk/adultslearning](http://www.niace.org.uk/adultslearning), clicking on the e-magazine link, and using the username/password combination below:

**Username:** adultslearning

**Password:** emagpromo2010

Open access will end on 8 October. Current subscribers who wish to access their e-magazine editions after this time will need to contact us to receive an individual username and password: telephone **0870 600 2400** or email [niaceorders@order-admin.co.uk](mailto:niaceorders@order-admin.co.uk). For new and renewing subscribers there is a revised list of subscription options and prices in the panel on the right, including site access and online-only options.

We hope you like the changes and look forward to hearing what you think of the e-version. Look out for more new online developments in the course of the volume.



## Adult progression into part-time higher education: a reality check for new times

**Wednesday 26 January 2011, The Brunei Gallery, SOAS, London WC1H 0XG; 10am to 6pm**

Fee: £149 Early bird discounts for members of NIACE, LLN and UVAC for bookings by 30.9.10

Fee: £175 Event fee for non members and all bookings after 1.10.10

NIACE, Lifelong Learning Networks and University Vocational Awards Council share a common purpose to promote the need for flexible provision, work-based learning opportunities and guidance for non-traditional adult learners. These are paramount not only to individual success but also to increase the nation's skills and knowledge.

January 2011 marks a start of the implementation of the Government's plans for Higher Education following the Comprehensive Spending Review and the re-ordering of Departmental priorities following the publication of the Browne Review.

This conference will not only identify the challenges of current government policy for higher education and its partners but will also identify strategies in which these challenges can be met. There will be the opportunity to learn about cutting edge work which is taking place through partnership working and to consider how it can be sustained, to share views and experiences through a variety of workshops on specific themes around learning in the workplace, apprenticeships, inclusion, guidance, and admissions and visit a range of market stalls in the learning zones and access free resources.

The line-up of confirmed speakers include:

Christine King, Vice Chancellor and Chief Executive, Staffordshire University

Adrian Anderson, Chief Executive, University Vocational Awards Council

Michael Davis, UK Commission for Employment and Skills

Jillian Ward, Chair of LLN National Directors Forum

Pat Whaley, Programme Director for Higher Education, NIACE

The conference will be of interest to those employed in both further and higher education, adult education providers, training providers, Unionlearn, and those involved in careers guidance. Employers interested in upskilling their workforce as well as Sector Skills Councils will also find it of interest.

Conference attendees are invited to a free post-event drinks reception where CFE will launch its latest report based on the experiences of employers that have supported the progression of Advanced Apprentices into Higher Education.

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Tel: 0116 204 2833

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