

REPORT TO: Employment, Learning, Skills and Community Policy & Performance Board

DATE: 15th June 2015

REPORTING OFFICER: Strategic Director – Children and Economy

PORTFOLIO: Economic Development

SUBJECT: A Dual Mandate for Adult Vocational Education

WARD(S) Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To provide a summary of the Government’s consultation document ‘A dual mandate for adult vocational education’

2.0 RECOMMENDATION: That: Employment, Learning, Skills and Community Policy and Performance Board are recommended to:-

- (1) Welcome the work underway in developing a Halton consultation response; and
- (2) Delegate the final approval of the Halton consultation response to the Operational Director (Economy, Enterprise and property) in consultation with the Portfolio Holder for Economic Development and Chair of the Employment Learning and Skills and Community PPB.

3.0 OVERVIEW

3.1 In March 2015, the Department for Business, Innovation and Skills published a consultation paper entitled, “A dual mandate for adult vocational education”. The consultation, which closes in June 2015, summarises Government’s proposals for future adult vocational education and asks a wide variety of questions regarding the proposals. This report summarises a number of key themes within the consultation.

3.2 The consultation document describes what has been done since 2010 to promote vocational education and training for adults across further and higher education sectors and analyses England's

performance on higher level vocational education against our comparator nations. The report identifies three core themes associated with higher level skills (funding; institution building; and the ownership and development of qualifications, standards and curricula) and recognises the importance of individuals being given a second chance to gain the fundamental skills required for life and work.

- 3.3 Higher level vocational education is defined as education which goes above what should be achieved in compulsory education, but will often not involve a full-time academic degree. This is an area where England has had a historic weakness and where we continue to lag behind the performance of other developed countries.
- 3.4 The second part of the document focuses on further education which provides a vital lifeline to those, often in the most disadvantaged circumstances, who reached adulthood without the basic skills they need for the workplace or for modern life. The documents sets out how the Government will improve the delivery of basic skills and community learning by allowing greater flexibility for providers to tailor services to the needs of users and to innovate by encouraging the development of a more diverse supplier base.
- 3.5 The final section of the document looks at the implications for providers of adult further education, particularly further education (FE) colleges. It sets out two key trends that the Government forecast will continue over the rest of this decade and beyond. First, reductions in public funds for skills are unlikely to be reversed, and resource allocation will increasingly be contestable. Secondly, effective delivery will increasingly require greater specialisation.
- 3.5 The Government's support to a shift to greater influence and control over skills at the local level is also reflected in this document. The document explores how greater influence at the local level, as signaled by City Deals and the Devolution Agreements may be further strengthened and extended in future years.
- 3.6 The consultation period is open until **16 Jun 2015**. There are 44 questions to answer in the consultation document. Halton has worked together with our partners from the Halton Employment Partnership to develop a response to the consultation; the draft response is attached in **Appendix 1**. Members are advised that not all the questions will be relevant to the Local Authority.

4.0 **KEY POINTS**

4.1 **Dual mandate**

4.1.1 The Government sees adult education as having a dual mandate:

- To provide higher vocational education for the workplace with a focus on higher level professional and technical skills.
- Provide second chances for those who have not succeeded in the school system.

4.2 **Higher Vocational Education for the workplace**

4.2.1 Higher vocational education covers education and training provision which is focused on employer need at level 4 through to 8, and is being delivered by providers across the further education and higher education sectors. England lags behind other countries in terms of participation in higher vocational training, for a number of reasons including a focus by schools and individuals on university academic study, attitudes that higher vocational education is 'second tier', a decline in employer contributions for vocational training and change in focus away from part time and shorter programmes such as technical certificates . This is at a time when the demand from industry for higher level technical skills is growing due to an ageing workforce and people retiring alongside a demand created from business growth.

4.2.2 The Government sets out the three key themes associated with higher level vocational training:

- Funding
- Qualifications, standards and curricula
- Institution building

4.2.3 **Funding** – The Government has already made a number of policy changes regarding funding, including moving apprenticeship funding directly to employers (with the intention of making higher vocational education more responsive to the needs of employers and learners), introducing Advanced Learning Loans and access to tuition fee loans for part time first degrees in key subject areas. Going forward the funding for adult skills will continue to be constrained so needs to be focused to gain maximum impact. The Government is consulting on the introduction of a new national awarding body or committee, to grant higher vocational awarding powers reducing bureaucracy. The Government is also consulting on foundation

degrees including the role of employers in their design, development and delivery.

- 4.2.4 **Qualifications, standards and curricula** – The Government wants to see more high quality vocational qualifications based on employers' needs. Some reforms have already been implemented with new reforms planned, for example new employer produced standards with clear outcomes for apprenticeships and work with employers to develop new Degree Apprenticeship models. The consultation also asks if we should make work experience an expected part of all higher vocational education.
- 4.2.5 **Institution building** – High status institutions, which adopt new technology, and prepare students to meet modern business needs, are vital if they are to establish quality higher vocational education which young people aspire to study. There is a need for high quality vocational education to cut across the traditional distinctions between academic 'higher' education and lower level further education. The government response has included establishing National Colleges set up with employers to deliver technical higher education from level 4 up to post graduate level, as well as professional development. The Government sets out its ambition to support FE colleges to develop centres of expertise in higher vocational skills in areas aligned with the needs of their local and regional economies. They also want to see more effective collaboration between colleges, universities and research and development to help develop a workforce that is capable of adapting to innovation.
- 4.3 **Provide second chances for those who have not succeeded in the school system.**
- 4.3.1 Too many people in the UK have failed to reach the levels they should reach by 16. 78 per cent of the population do not have level 2 skills in maths and c. 50 per cent do not have this level of English. On international comparisons England is barely at the OECD average for literacy and below this for numeracy, despite being one of the wealthiest economies in the OECD. Many people in England, young and old, lack the confidence, motivation and presentation skills needed to secure and succeed in interviews, and in employment. Further education can support these people to succeed in a way they didn't in their formal education, through help to secure employment or support to improve their educational

attainment and progress in their life. This will reduce benefits dependency, improve employability and potentially lead to an increase in wages as new skills are developed.

4.3.2 To do this the Government wants to see more flexible, innovative and accessible provision, an appropriate diversity of providers, a clearer focus on outcomes and robust local accountability, through local partnerships. To deliver this the Government are consulting on new approaches to commissioning, with strong commitment to localised delivery, including:

- review the funding model for Community Learning to consider giving more weight to factors such as the population levels or relative disadvantage in different geographical areas;
- Reinforcing the partnership approach in Community Learning by procuring through existing or new partnerships in each geographical area rather than through individual providers;
- Procuring instead through a lead provider on behalf of a broader coalition of providers;
- Revising commissioning to allow the introduction of new national or regional providers with a reach beyond their immediate location, but a strong commitment to localised delivery;
- Reviewing the barriers between Community Learning and Adult Skills Budget provision to facilitate greater joining up of progression routes for harder to reach adults.

4.4 **Adult further education colleges**

4.4.1 The final chapter of the consultation looks at the implications of the dual mandate for adult further education colleges, against a background of wider change in the way in which Government funds education for adults, and the Government's wider strategy of empowering local places to make decisions on economic development. The government spells out very clearly that, 'We have instituted a programme of reform that leaves no doubt that structural change in the sector is required'. On the financial sustainability of colleges, it seems to be encouraging colleges to choose whether they should be specialising, e.g. in 'second chance' education or high level adult learning. According to the document, the programme of reform will shift to a funding system that is driven by employers and learners.

- 4.4.2 Colleges adapting to the new system will have to focus on a range of issues including working in partnership with local employers and other local stakeholders, focusing explicitly on their strengths or growth in different types of activity and developing specialisms in line with their local labour market needs. Colleges will also need to manage the impact of changed provision in a way which is sustainable and minimises the impact on existing learners.

5.0 **POLICY IMPLICATIONS**

- 5.1 Although this is a consultation document, if the future plans contained in the report are adopted, they will have a significant bearing on how Adult Education Services are delivered in the borough. It is envisaged that the Halton Employment Partnership will need to play a role in determining which partners are best placed to respond to the recommendations in the report and agree to 'who does what?' so that a coherent and consistent adult education service continues to be provided. Whilst the document refers to more flexible, innovative and accessible provision, education training and skills providers will be under increasing pressure to deliver courses that come with funding. This may have an impact on the ability of partners to fulfil some of the objectives presented in the report. For example, whilst the proposal is to provide colleges with options in terms of what they deliver and how they deliver, there may be a disincentive to deliver non-income generating courses.

6.0 **OTHER/FINANCIAL IMPLICATIONS**

- 6.1 Although there are no direct financial implications at this time, the consultation document refers to a future allocation of resources based on need and deprivation.

7.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

7.1 **Children & Young People in Halton**

Development of local opportunities for vocational educational training with a focus on employment is likely to offer new opportunities and broaden life chances for young people in further education.

7.2 **Employment, Learning & Skills in Halton**

This consultation is likely to impact upon the adult skills and FE offer in the borough. Also the way funding is provided and managed may change with a key focus on local partnerships and robust

accountability.

7.3 **A Healthy Halton**

There are no direct policy implications on health from the report, however offering second chances for adults to access training should help to improve their wellbeing and health.

7.4 **A Safer Halton**

There are no direct policy implications from the report.

7.5 **Halton's Urban Renewal**

There are no direct policy implications from the report; however growth or a change in the FE sector may require new investment into the local area in time.

8.0 **RISK ANALYSIS**

8.1 As this report is a consultation document, there are no risks at this time.

9.0 **EQUALITY AND DIVERSITY ISSUES**

9.1 **None**

10.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

Document	Place of Inspection	Contact Officer
A Dual Mandate for adult Vocational Education	Rutland House, Runcorn	Debbie houghton

APPENDIX 1

A dual mandate for adult vocational education consultation - response form

A DUAL MANDATE FOR ADULT VOCATIONAL EDUCATION CONSULTATION

Response Form

MARCH 2015

A copy of the consultation document can be found at:

<https://www.gov.uk/government/consultations/adult-vocational-education-challenges-over-the-next-decade>

A further version of the response form is also available to complete on line at:

<https://bisgovuk.citizenspace.com/fe/a-dual-mandate-for-adult-vocational-education>

You can email or post this completed response form to:

Postal Address:

Strategic Funding Policy Team
Bay G
Department for Business, Innovation and Skills
2nd Floor
2 St Paul's Place
Sheffield
S1 2FJ

Email: FE.reform@bis.gsi.gov.uk

If you are emailing the document, please include "dual mandate" in the subject box.

The Department may, in accordance with the Code of Practice on Access to Government Information, make available, on public request, individual responses.

The closing date for this consultation is: 16 June 2015

Your details

Name:

Organisation (if applicable): Halton Borough council

Address: Municipal Building, Kingsway, Widnes, WA8 7QY

Telephone:

Email:

Please tick the box below that best describes you as a respondent to this consultation

- Representative organisation
- Independent Training Provider
- College
- Awarding Organisation
- Charity or social enterprise
- Individual
- Legal representative
- x Local government
- Local Enterprise Partnership
- Large business (over 250 staff)
- Medium business (50 to 250 staff)
- Small business (10 to 49 staff)
- Micro business (up to 9 staff)
- Professional body
- Trade union or staff association
- Industrial Strategy sector
- Other (please describe)

National Colleges

Question 1: How can the National College proposals be developed to ensure the employers across the whole sector benefit?

Halton is part of the Liverpool City Region and the city region has published a suite of Skills for Growth Agreements each relating to a specific growth sector within the City Region. Developed in consultation with a wide range of businesses across the respective sectors, these Agreements provide schools, colleges, training providers and universities with detailed information regarding the skills needs of the City Region's employers and make clear recommendations on how they can best tailor their provision to respond to these needs. This work, along with additional employer engagement across the Liverpool City Region, continues to identify the importance of an individual's attitude, work ethic and broader 'employability' skills as a key consideration for employers during the recruitment process and for an individual's further career progression.

The model currently being applied to the Apprenticeship Trailblazers is a good one to be developed further to engage employers in the whole sector.

Question 2: How can National Colleges best work in partnership with local FE colleges, private training organisations and HEIs?

Key to the success of National Colleges are effective accountability and partnership arrangements. In addition, mapping of curriculum pathways is essential.

Establishing partnerships with FE, private training organisations and HEIs would be a rigorous process involving consultation within geographical areas, evaluation of quality standards and inspection grades. Taking into account existing local labour market research is also critical to help determine suitable provision within specific localities.

Question 3: Which priority sectors should be targeted for future National Colleges?

Logistics

Low carbon

Knowledge economy (science, technology)

Communications and branding

Question 4a: Would you support rebranding English higher vocational education as either "Professional Education and Training" or "Professional and Technical Education"?

Yes x

No

Don't know

Question 4b: If so, which would you prefer and why?

Professional Education and Training **Professional and Technical Education** x

Please explain your response:

Employers are more likely to recognise this term and associate it with particular disciplines. The term 'vocational' tends to lead thoughts to hairdressing, etc.

Question 5: Would you support a national advertising and marketing campaign for higher vocational education?

Yes x **No** **Don't know**

Please explain your response:

If we really want to make an impact and dispel myths that might currently exist, a strong and influential marketing campaign, delivered by employers, would be needed over a long term.

Question 6: What other means of promoting higher vocational education do you think would be desirable?

Enhanced and more effective careers guidance within schools, colleges and for parents/guardians. Employers would need to promote the value of HVE within their own businesses and sectors and employer champions could be used to share good practice through existing networks.

Question 7: How can we encourage more individuals to study higher vocational education?

Employer buy-in is critical in raising the profile of higher vocational education as a valued option and a long term career choice. Effective IAG for schools, parents and colleges is absolutely crucial. In Liverpool City Region we hold an annual Graduation Ceremony for L3 and above apprentices as a means of bringing some parity to apprenticeship achievements and degree success.

Part-time higher education provision

Question 8: How can we encourage more individuals to study part-time Higher Education?

Employers would need to co-invest, for example, through pay incentives for those that achieve HVE qualifications, through funding qualifications for staff, advertising job roles as a job with training, etc.

The level of fees required for studying part time would be a huge factor for individuals to take into account. Making part time study accessible financially would be welcomed.

A new overarching body to manage awarding powers for higher level vocational qualifications

Question 9: Should a new overarching vocationally focused body be established to grant higher vocational awarding powers?

Yes

No

Don't know

Please explain your response:

Question 10: How could we increase the role of employers in scrutinising applications for new awarding powers?

There are already Local Enterprise Partnerships in place in City Regions which are employer led. In Liverpool City Region the Employment and Skills Board has a broad and fully representative membership with a thorough understanding of the local economy. Making use of existing arrangements should be mandatory for any applications for awarding body powers.

Question 11a: How can the role of National Colleges in defining qualifications, apprenticeships standards and assessments and curricula best be taken forward?
COLLEGE BEST PLACED TO RESPOND

Question 11b: Should other, high performing providers be empowered to do this?

Yes

No

Don't know

Please explain your response:

Question 12: Are the right awarding powers in place to facilitate an increase in the uptake of HNC, HND and BTEC type qualifications?

Yes

No

Don't know

Please explain your response:

Question 13: How do we design delivery and assessment in a way which imparts work ethics, occupational attitudes and standards, while enabling learners to reflect on and improve these?

Question 14: How do we develop these mechanisms without losing existing quality products that already meet these standards and which employers recognise and have faith in?

Refocusing the Foundation Degree curriculum

Question 15: Should the Government be prescriptive about the role of employers in the design, development and delivery of Foundation Degrees?

Yes x

No

Don't know

Please explain your response:

Whichever 'board' has approval to approve qualifications, then they should include employers from that relevant sector.

COLLEGE BEST PLACED TO RESPOND

Reviewing Foundation Degrees Awarding Powers (FDAPs)

Question 16: Should we consider some form of specialised FDAPs rather than general powers to award any kind of foundation degree?

Yes

No

Don't know

Please explain your response:

Question 17: Could the FDAPs process and/or criteria be changed to improve access while maintaining quality?

Yes

No

Don't know

Please explain your response:

Question 18: How do we ensure that the quality assurance arrangements are appropriate to foster the right type of HVE (higher vocational education)?

Work-based learning and higher vocational education

Question 19: Should all HVE courses involve work based learning?

Yes x

No

Don't know

Please explain your response:

There is the opportunity to develop academic skills alongside vocational/technical experience. Additionally, work based learning allows the application of skills and knowledge in a real life context.

COLLEGE BEST PLACED TO RESPOND

Specialisation in colleges

Question 20: Are there other lessons to learn from the implementation of the CoVE (Centres of Vocational Excellence) programme?

Yes

No

Don't know

Please explain your response:

Question 21: Should there be a new status for colleges specialising in higher level vocational skills as the Institute of Public Policy Research recommended?

Yes

No

Don't know

Please explain your response:

Question 22: How can we support FE colleges to achieve excellence in higher level vocational skills?

Sci- Tech Daresbury (?) best placed to respond??

HVE in the higher education setting – extending the role of universities and links with research and innovation

Question 23: What are the barriers to effective collaboration between colleges, universities and Catapult centres?

Question 24a: Should all Catapult centres be engaged in developing vocational education and higher level vocational skills training?

Yes

No

Don't know

Question 24b: If so, how best can this be achieved?

Question 25: What should the role of universities, colleges and Catapult centres be in growing technician level skills?

Question 26: How do we ensure even stronger employer/university engagement?

Stronger virtual learning and use of technology

Question 27: How can Government drive the further adoption of new technology in FE institutions?

Skills Capital Investment from Government should be devolved to city regions to manage at a local level and take account of new technologies and key growth sectors in the area to ensure that public funding helps drive the adoption of new technologies in the local FE institutions.

Key governmental departments need to be joined up on their thinking with regards to delivery of the digital inclusion and connectivity agenda to ensure resources are more targeted to meet these evolving requirements.

More partnering between research and innovation centres, universities and FE institutions must be developed and this should include upskilling of staff.

Making the overall system more effective

Question 28: What is the best way to ensure greater local accountability on the part of providers towards learners and employers, in terms of relevance and quality of provision, and social and economic impacts?

In Halton we have some excellent partnerships already in place that have developed in strength and impact over the years. These include the Halton Employment Partnership (HEP) which brings together the expertise of agencies and businesses with an interest in employment and skills within the borough. Individual partners bring the intelligence they have gathered from their own areas, for example, their housing residents, benefit claimants,

constituents, learners, etc. and design a curriculum pathway that leads to upskilling of local residents to meet the needs of local employers. Often, community learning partners do not have the capacity or resources to attend meetings and unless funding is readily available, they struggle to commit to partnership working in some cases. The HEP is a very strong partnership made up of all key players and delivers real, positive outcomes for local residents.

Giver accountability powers to existing partnerships should be the way forward.

The HEP currently reports into the Local Strategic Partnership.

Question 29a: What benefits would there be to commissioning Adult Skills Budget provision through local partnerships or through a lead provider acting on behalf of a partnership?

FE colleges are in a strong position to deliver on ASB provision and if they are good quality, well performing providers, they would still be best placed to deliver on ASB provision; however, how this budget is spent does not always involve great consultation in terms of curriculum planning. College governing bodies do provide a scrutiny role but further consultation (and accountability) with wider partnerships would be welcomed.

Decision making for all skills budgets should be devolved to city region level so that a comprehensive understanding of local skills priorities and provider performance is taken into account when allocating funding. This would ensure residents of all ages were able to access high quality and relevant training provision.

Question 29b: What downsides might there be to such an approach?

As long as the city region teams have a good understanding of local borough needs and priorities, there are very few downsides to this commissioning approach. Other downsides are that existing ASB funded providers could be placed at risk in terms of funding cuts and that existing provision may then not be available at a local borough level. Additionally, if ASB provision was to be commissioned at a city region level rather than allocated as it is now, the increased timescales for bidding/planning would need to be factored into any competitive tendering process.

Question 30: How do we ensure a stronger focus on outcomes without encouraging cherry picking of the easiest to help?

All learners should have the opportunity to be assessed to determine their starting point and their aspirations/goals. Currently, this service is not available across the board. The outcomes of these assessments should then be used to influence levels and types of provision and commissioning carried out accordingly to meet these needs.

Some current provision does lend itself to situations of cherry picking, yet those working with the hardest to engage learners are not recognised for

helping these learners achieve a positive outcome. It is much easier to work with someone newly unemployed than it is to work with a long term unemployed resident with multiple barriers.

Introduction of an 'added value' measure should be awarded to those providers working with the hardest to engage that achieve positive outcomes, e.g. an interview, volunteering experience or a job.

Current funding arrangements don't take account of the additional work required by adult learning providers who work with the hardest to engage.

Question 31: What issues would there be with supporting programmes of study rather than qualifications?

If programmes of study were supported these would need to be supported alongside qualification bearing programmes. Programmes of study would need to have robust systems in place to capture positive outcomes/progression/achievements. For example, Halton Borough Council's Adult Learning Service captures Learner Impact Measures across a range of areas, including improved mental health and well-being, confidence levels, budgeting skills, relationships and job prospects. Learners are surveyed at the end of their learning programme and are asked to rank a range of statements. This simple and effective survey provides valuable evidence for the positive impact on all learning programmes, qualification bearing or not.

Testing alternative approaches

Question 32: What risks do we need to cater for in testing out new local arrangements to deliver skills provision for unemployed individuals and those with skills below level 2?

Risk : Performance targets. Viability.

These skills will require a longer journey for the unemployed less than level 2 skilled, as we know that there are particular barriers for longer termed unemployed and a more holistic approach in smaller groups is advisable. This will be more costly. There should be stepping stone approaches for unemployed adults in basic skills and there should be an allowance made for the provider working with those harder to reach, in the success rates, which may be lower than within mainstream delivery.

Question 33: What new approaches can be taken on commissioning and funding streams to maximise the value gained from public spending to support unemployed and disadvantaged learners?

VCS partners are very well placed to deliver to the communities they serve but are very often unable to get through the ROTO process, in order to deliver on behalf of local colleges, especially if working with more than one college. Conditions should be relaxed for the smaller and

very new VCS organisations involved in training as there is an over emphasis on risk and this thwarts creativity. In addition could there be a relaxation of how often an organisation has to be resubmitted through the ROTO process and rather than go through the whole process again, a shorter version be developed which merely checks for any new risks (ie submitting of recent accounts etc) In this way the government is assisting those who are community based small organisations who get fantastic results for the unemployed locally. If we evaluated Pilots for impact, this would be a way of promoting social value and case studies could be used after the pilots.

Community Learning

Question 34: If we were to make the changes described in paragraph 208 of the consultation document, how should we look to phase them in over time?

Question 35: Would a greater focus on commissioning partnerships enhance partnership working and deliver a more coherent Community Learning offer?

Yes but I think that VCS representation from a strategic perspective should be involved in the process. VCS organisations in each borough are usually best placed to be involved in the commissioning process as they do not tend to deliver themselves and are usually more involved in infrastructure support of the VCS organisations. However this should not be a problem even if VCS are involved in delivery as this would mirror the others within the partnership. A good partnership will develop trust in the commissioning of projects.

Question 36: What would be the pitfalls and unintended consequences that could arise from these potential reforms and how can we avoid them?

Question 37a: Do you agree that some institutions, such as Specialist Designated Institutions (SDIs), play a unique role within the wider sector and should continue to receive funding on an individual basis?

Yes

No

Don't know x

Question 37b: Are there other organisations that should be considered alongside the SDIs?

Question 38: What would be the risks associated with these proposals?

Question 39: Would there be benefits from greater integration of Community Learning and Adult Skills Budget funded provision?

Supporting the development of resilience in the sector

Question 40: What are the barriers preventing some colleges from adjusting their provision and approach?

Question 41: What lessons can we learn from colleges who have already made significant changes?

Question 42: How can relationships between localities and FE providers be strengthened?

Question 43: What are the risks to colleges and providers with the shift towards greater local influence and control over skills funding and accountability?

Question 44: What are the advantages/disadvantages of Central Government taking an active intervention role in the FE landscape, including supporting new entrants and/or supporting mergers and rationalisation?

Advantages:

Disadvantages:

Thank you for taking the time to let us have your views on this consultation. We do not acknowledge receipt of individual responses unless you tick the box below.

Please acknowledge this reply