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## Pocket Watch – Developing the higher level skills route

### Introduction

Do we need to re-balance things between a bit better FE and HE if we are to secure that elusive high-level skills pathway that politicians and practitioners have dreamt of for so long? Many people think so. Alison Wolf saw it as a no-brainer in a **report** in June, describing the system currently as *'bifurcated with spending concentrated on academic three year programmes for young people with spending per learner far lower in the skills sector than HE.'* And this week the think tank Policy Exchange has added its weight in a **report** calling among other things for a large chunk of university funding, half a billion to be precise, to be channelled over to the FE sector to help it develop *'the high quality technical education'* that employers need.

So how's this been received, why has a high-level skills route proved so difficult to develop and what was Policy Exchange proposing?

### What's been the reaction?

Pretty much as expected.

The university sector remained unimpressed: *"Robbing HE to prop up FE is not the way forward"* argued former Education Minister now University Vice-Chancellor, Bill Rammell. University Alliance and Universities UK agreed: *'this shouldn't be an either-or.'* Kamjit Kaurin in a blog on wonkhe went further describing proposals to cut HE budgets any further as *'a recipe for disaster.'* On the specific issue of universities sitting on large surpluses which could be used to fund high-skills training in FE, Chris Hale, Director of Policy at Universities UK argued that the report failed to understand university finances: surpluses were necessary to ameliorate recent cuts, secure loans, engage in wider research and invest in infrastructure and other needs.

FE people inevitably saw things differently. The AoC saw it as an opportunity to redress the funding balance and while we're at it, giving colleges powers to create and award their own higher level technical and professional qualifications. The adult continuing learning organisation NIACE also saw it as a chance to lever funding into the skills training that the country needs while the Edge Foundation sided wholeheartedly with Policy Exchange: *"we couldn't agree more"* and pointed to its own report in the summer which had painted a similar picture.

It's unfortunate but perhaps inevitable six weeks away from an ominous sounding Spending Review that the debate is being played out in economic terms. A dance to the death between the two sectors over funding would probably help no-body. The bigger issue maybe is how to create a genuine all-through higher level route, providing a ladder between the two sectors in what Ministers have been wont to call a single membrane, but this has proved difficult.

### Why has the higher-technical route proved so difficult to develop?

It's not been for want of trying with some efforts going back over a century. There's been broad agreement on the fundamentals but not necessarily on the implementation or the mechanisms as these three recent examples from across the political spectrum shows.

In the latter days of the last Labour administration, Lord Mandelson's approach was to create what he called *'a modern class of technicians.'* Details were set out in a National Skills Strategy published in 2009 and the mechanisms involved beefing up the number of advanced apprenticeships, developing a system of skills accounts and raising the quality of skills training in colleges and other providers. A few years later, Vince Cable for the Coalition picked up the mantle promising in a landmark speech at Cambridge to strengthen what he called the sub-degree gap, encouraging the two systems of FE and HE to work together to develop advanced apprenticeships and higher-tech qualifications worthy of the name and effectively create an FE/HE bridging system. And even more recently, in June this year, George Osborne took things a

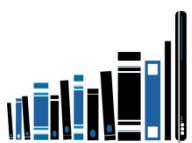
stage further in the government's Productivity Plan by proposing a network of specialised Institutes of Technology working with FE providers to deliver employer endorsed qualifications determined through local labour market planning and commissioning.

The language may have changed over the years but as the HE Policy Institute discovered in a Paper commissioned by Pearson a few months ago and looking specifically at **Tackling the Level 4 and Level 5 conundrum,** the basic concepts of employer engagement, locally determined skills needs, work-orientated qualifications and dedicated high-quality technical institutes have remained. All that's been missing perhaps has been the funding which is where the Policy Exchange report comes in.

### What's Policy Exchange proposing?

Broadly six things:

1. As part of the Spending Review, the government should seek to ensure that rather than relying on funding grants, the HE sector should draw on its own residual funds to provide for the additional costs of areas like widening participation and high-cost subjects. This would ease some of the pressure on the need to make further Dept cuts which at present appear to be targeted at FE while the potential savings accrued, estimated at £532m, could be used to fund the currently poorly funded higher skills and professional training in FE
2. The Dept should accelerate the development of a network of specialised providers equipped to deliver the higher level technical and professional skills that employers need. This would mean building on the current model of National Colleges and Institutes of Technology and in effect creating sector specific provider hubs and outlets around the country. In addition, as many in the FE sector have argued, the Dept should allow these specialist colleges to develop and award their own higher level awards and in time franchise these out to other colleges who wish to use them. At the same time, relevant current qualifications developed by Awarding Organisations (AO) should be opened out and not restricted to any one AO
3. The government should move towards a uniform loan system available for all post-19 training whether undertaken in FE or HE. In addition, this should encompass a lifetime draw down facility, in other words it should be a loan where any balance could be used up at a later date perhaps to top up or undertake further specialist training albeit within an overall cap
4. The current maintenance grant, shortly to become a loan facility, should be extended to FE where currently the absence of any maintenance support mechanism is restricting opportunities for learners, for example to undertake specialist training in another part of the country
5. Government should encourage employer engagement through the extended use of Industrial Partnerships
6. The government should consider re-instating some form of cap on the numbers taking full hons degrees so as to encourage greater growth at the sub-degree level where many professional and technical qualifications are listed. In effect this would be a return to the numbers management system that operated a few years ago whereby universities were allowed to recruit any number of high-performing learners but where numbers limits applied to the rest. This would be a similar policy but with the cap lifted on numbers for the high-tech route



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