



**Strategic Options, Operational Challenges:
A study of Higher Education delivered in a
Further Education setting**

Funded by



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Madeleine King

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Foreword

Colleges of Further Education have delivered programmes of Higher Education for many years, responding to the requirements of employers in their area and the needs of students not served by other institutions. The role of Colleges in providing these opportunities for the development of higher level skills is gaining wider and well-earned recognition.

With skills at all levels at the centre of both Government and business plans for economic recovery and regeneration, Colleges are well placed to promote their role as providers of high-quality, value-for-money courses directly related to the higher skills needs of business and the aspirations of individuals.

This report presents what we believe to be the first major overview of the issues and challenges facing Colleges as they develop this vital role. It is a large-scale review, covering more than 25% of all colleges providing HE in FE, and includes specialist institutions such as land-based and art and design colleges. Whilst the majority of our respondents were medium to large volume providers of HE, we have also captured the views of colleges with relatively low numbers. The potential for colleges to consolidate and expand their role is confirmed but there are also areas where the College offer must be refined and developed if that potential is to be realised. We offer proposals for the direction of this further work.

At a time when education budgets are under significant pressure, Colleges have the opportunity to show that they can provide locally accessible, good quality and cost effective higher education.

We hope that the report will stimulate discussion and debate on how that can best be done. In doing so it will also generate wider recognition and respect for the role that higher-level vocational skills can play in the success of the businesses which encourage them and the lives of the individuals who achieve them.

John Widdowson
Chair, Mixed Economy Group of Colleges
Principal and Chief Executive, New College Durham

1. Introduction

- 1.1 The Mixed Economy Group of colleges (known as MEG) came into existence nearly twenty years ago. Member colleges are distinguished by the fact that they offer Higher Education (HE) to large numbers of students – a minimum of 500 FTE – in an FE setting. Many have done so for as long as the group has existed and therefore have an expertise in the distinctive form of HE that is HE in FE. Nearly half of the member colleges have more than 1,000 HE students: not surprisingly, this combination of critical mass and experience has positioned MEG as the lead organisation in the development of policy concerning HE in FE. This expertise was recognised by LSIS when it invited the group to undertake an analysis of the issues currently facing HE in FE, and to do so from a grass-roots rather than high-policy approach. We have deliberately based this research on the experiences of current staff and students in HE in FE rather than undertake a desk-based literature review. This is partly because very little research has been undertaken anyway and partly because we wanted to capture the mood of HE in FE at a time of considerable change.
- 1.2 The project was carried out during a time of unprecedented uncertainties within the HE sector, all of which will have significant impact on the delivery and development of HE programmes in Further Education Colleges (FECs). However, despite the financial restraints facing the HE sector, the Government remains keen to promote the importance of FECs in delivering a new type of higher education and developing higher level technical skills in the workforce.
- 1.3 During his Dearing Lecture on the Further of Higher Education¹ Lord Mandelson made it clear that:

'... It's important that this growing diversity of quality provision doesn't stop with universities. One of the most important changes that we have driven in the higher skills system over the last decade is in making sure that university is only one of a range of options for advanced and higher learning. Especially if you want vocational training with a strong emphasis on technology or business skills.....Our best further education colleges and apprenticeships can provide a preparation for the world of work that compares in its excellence and market value to the best of our universities.'

- 1.4 This research project set out to explore key issues in colleges' strategic approaches to delivering higher education. It also proposed to identify the principal operational challenges facing the sector in this field and signpost ways forward. The project was commissioned in late autumn 2009 when the potential impact of a global recession on the funding of English HE was just beginning to emerge. Given the lack of structured research across the whole of this area of investigation, the project never intended to provide definitive answers to all the questions which it expected to emerge: instead it sought to place such questions in context and to identify ways to address them in the

¹ Mandelson, Lord P (Feb 2010) *The Future of Higher Education – The Dearing Lecture* Speech by: Lord Mandelson at the University of Nottingham Accessed on 22.02.10 at: <http://www.bis.gov.uk/dearing-lecture>

future. Once the full extent of the recession was known and a significant reduction in public funding for HE announced in spring 2010, our study gained a new perspective, leading us to focus on particular themes and issues.

- 1.5 In the academic year 2007 – 2008, 248 FECs offered HE in FE, either through direct funding from the Higher Education Funding Council for England (HEFCE), indirect funding via a partner University or through a combination of both. Of these, 127 were largely or wholly directly-funded. In carrying out the research the team has interviewed nearly 70 key staff in FECs delivering HE, as well as a representative sample of officials in the Sector Skills Councils (SSCs) and Regional Development Agencies (RDAs). In addition there has been an extensive survey of student views and staff continuing professional development (CPD) requirements for delivering HE in FECs. We have captured over 800 student voices and more than 3,000 staff who teach HE in FE have given us their views on a range of CPD issues. We have also carried out an investigation of the Risks from the Higher Education Strategies of 64 FECs (i.e., 26% of those offering HE in FE.) The combined results of these investigations have provided us with a wealth of information and evidence on the state of HE in FE and the contribution that this makes to the economy locally, regionally and nationally. It has enabled us to map the territory, identify the key issues and develop a strategy for future support and development of this important area of the higher education landscape.
- 1.6 HE in FE has expanded over the last ten years. The largest providers, such as Newcastle College and Blackburn College receive teaching budgets greater than those allocated to several small universities. Colleges which provide smaller volumes of HE usually do so because they meet a specialist need not catered for in other institutions. HE in FE is clearly an area of importance in terms of developing vocational higher qualifications: the research provides evidence of the activities that underpin the development, delivery and success of HE in FECs.

2. Background and Context

2.1 Background

Colleges have been delivering HE programmes for over 50 years – Higher National Certificates and Diplomas and professional qualifications were successfully taught in Technical Colleges up and down the country for most of the post-war period, as were professional qualifications from a range of Accounting and Engineering bodies This experience of delivering vocational and technical education for local industries has enabled FECs to evolve and develop new HE programmes, notably Foundation degrees, level 4 and 5 professional qualifications and progression routes to Bachelors and Masters degrees.

- 2.1.1 The most recent validated data for 2007/2008 reports that 112,595 students were studying on HEFCE recognised HE programmes, of which 13,445 were on non-HEFCE funded and 99,145 on HEFCE funded programmes at 271 FECs and Sixth Form Colleges. Twenty one FECs each recruited more than 1,000 students on HE courses. The programmes include Higher National Diplomas and Certificates, Higher

level professional courses, teaching qualifications, Foundation, Honours and Masters degrees.

2.2 The Policy Context

2.2.1 The current Labour Government² recognises the importance that FECs can play in the economy and two significant publications from the Department for Business, Innovation and Skills (DBIS) underline this. We consider these in some detail below: taken together with the annual Grant Letter to HEFCE they suggest an emerging role for HE in FE that probably has all-party support in terms of its broad principles.

2.2.2 The Further Education and Training Act, 2007.

This piece of legislation is a useful starting point in this overview as it contained a measure which potentially transforms the delivery of Foundation degrees. The Act enables FE colleges to apply for Foundation Degree Awarding Powers (FDAP). The first two colleges to go down this route hope to gain FDAP this calendar year and will begin recruitment to their own courses in 2011.

2.2.3 Two key documents shape the current policy context. ***Skills for Growth***³ takes as its focus the skills deficit, particularly higher technical or intermediate skills. This will be addressed by an expansion in the number of apprenticeships and by giving priority to skills that equip people for work. In particular, colleges are expected to expand opportunities for students to progress to higher education e.g. via the new diplomas or advanced apprenticeships, or by the development of bridging modules. FECs are also encouraged to develop qualifications that will enable students who gain a L3 qualification but who do not progress to HE to become self-employed. There will be increased investment in advice and guidance, development of apprenticeships frameworks for progression, increased targeted financial support and UCAS tariff points to enable ease of comparison for selection to HE.

² As at April 2010

³ DBIS (November 2009) ***Skills for Growth*** *The national skills strategy* Presented to Parliament by the Secretary of State for Business, Innovation and Skills accessed on 22.02.10 at <http://www.bis.gov.uk/wp-content/uploads/publications/Skills-Strategy.pdf>

- 2.2.4 An important strand of the policy is to develop more flexible HE provision and the Government sees an important role for FECs:

‘One in eight undergraduate students are now studying in further education colleges in England. As set out in our framework for higher education, we will expand new types of higher education programmes that widen opportunities for flexible study for young people and adults. This will include part-time and workplace-based courses, and the expansion of foundation degrees which are vocational degrees completed in two years designed jointly between employers and higher education. There will be an important role for further education colleges, as well as for universities in such provision, including through greater partnerships between universities and further education colleges.’⁴

- 2.2.5 Alongside this is **Higher Ambitions**, the HE strategy document⁵ Described as the new framework for Higher Education, its main focus is on universities but there is reference to the importance of FE colleges in delivering the Government’s agenda. One of its key recommendations is

Recommendation 35⁶: Universities and colleges, working with the Government, should make the concept of “Higher Education within Further Education” one that is universal across the country so that many more mature students, in particular, are able to study for a degree.’

- 2.2.6 The report refers to a ‘more diverse ecology’ of higher education providers in the future. It refers to the vital role that FE colleges have in delivering HE, especially in vocational and technical subjects

‘But not all higher education is delivered in universities. There is a long tradition of delivery of higher education by further education colleges. This will continue, especially in areas dominated by vocational and strategic skills.’

⁴ Skills for Growth p 32 paragraph 12 accessed on 22.02.10 at <http://www.bis.gov.uk/wp-content/uploads/publications/Skills-Strategy.pdf>

⁵ DBIS (November 2009) Higher Ambitions The future of universities in a knowledge economy Accessed on 22.02.10 at: <http://www.bis.gov.uk/wp-content/uploads/publications/Higher-Ambitions.pdf>

⁶ Higher Ambitions The future of universities in a knowledge economy Chap 5 para 11; and Chap 6 para 27

- 2.2.7 There is a cautionary warning to FECs about of courses they should be delivering and a reminder of the importance of quality

“Further education colleges are not universities and should not aim to be. But they are a valuable part of the higher education landscape. We have no view on what proportion of higher education learners should be taught in further education colleges. That should be the outcome of learner and employer choices, not an administrative target” (p. 104).

‘As we made clear in our 2006 White Paper⁷ the focus of higher education provision in further education colleges should be on skills, and on qualifications up to and including foundation degree level. But wherever higher education courses are delivered through further education colleges the highest standards must be assured.’

- 2.2.8 These two reports were published in November 2009. In December of that year Lord Mandelson sent the annual **Grant Letter** to HEFCE⁸ setting out HE funding 2010/2011. Predictably, as the extent of the recession was becoming more obvious, this looks for increased efficiency and significant savings. It states

‘Higher Ambitions set out the importance of increasing the variety of undergraduate provision. We want to see more programmes that are taken flexibly and part-time and that a learner can access with ease alongside their other commitments. We also wish to see more programmes, such as foundation and fast-track degrees, that can be completed full-time in two years. The underlying theme is providing for diversity. Over the next spending review period, we will want some shift away from full-time three year places and towards a wider variety of provision. I would like you to assess current trends in demand; to lead a debate on how diverse provision can be encouraged; and to give me initial advice by Summer 2010’

- 2.2.9 The letter announced additional budget cuts but stressed the need to protect research activity and minimise any impact on teaching and students. The sector received its first real-terms cut for over a decade. Within this, FE colleges which were directly funded generally experienced grant stability or even a small gain, but this will be offset by two other factors. In response to the Grant Letter, the HEFCE

⁷ Department for Education and Skills (2006) *Raising Skills, Improving Life Chances*

⁸ HEFCE Grant letter from Lord Mandelson accessed on 22.02.10 at <http://www.hefce.ac.uk/news/hefce/2009/grant1011/letter.htm>

Board set in motion the phasing out over two years of the additional £24 million funding provided to support Foundation degrees. The allocation will be reduced to £12 million in 2010-11 and withdrawn fully in 2011-12. Foundation degree students will then be funded at the same rate as other undergraduate students. This decision will have a disproportionate impact on FECs and post-92 Universities.

- 2.2.10 Most significantly, however, is the penalty for over-recruitment above allocated numbers, and the clear message that there will be no further additional student numbers (ASNs). The knock on effect of this to indirectly funded FECs should not to be underestimated: several colleges report that their franchising partners are already either reducing their franchised provision or removing it completely in order to make the necessary savings.
- 2.2.11 This situation was only partly-eased by the March 2010 budget, which saw the announcement of additional places for STEM subjects. The Browne Review of Higher Education Funding and Student Finance will report in early summer, and a series of consultations administered by HEFCE and QAA over the quality arrangements for HE will also be completed at broadly the same time. At this point the in-coming Government will have all the information needed in order to determine how best to balance the financial contributions of the public purse, students and employers to HE, as well as reassuring all three of the quality of the product that they are purchasing. Their approach to this equation will be of particular interest to those delivering vocational HE, who predominately do so from an FE college and/or work-place setting.

2.3 The Research Context

- 2.3.1 A number of recent publications have looked at routes into higher education and the factors which influence students who find themselves applying to HE during an economic downturn.
- 2.3.2 A DBIS research paper entitled **Alternative Routes into and Pathways through Higher Education**⁹ was the result of research carried out by York Consulting commissioned in 2006 by the then Department for Education and Skills. This looked at routes into and through HE and categorised these as traditional and alternative. It describes alternative routes through HE as:

'part-time learning; flexi-study; non-honours degree programmes such as Foundation Degrees, HNDs or Diplomas in HE; or any higher education undertaken at Further Education colleges'

⁹ DBIS (September 2009) *Alternative Routes into and Pathways through Higher Education* Research paper no. 4 accessed on 22.02.10 at

http://www.dius.gov.uk/research_and_analysis/~media/publications/B/BIS-RP-004

2.3.3 The researchers developed typologies of students and characterised those on alternative routes as *those studying Full time HE at an FE College; part-time learning or a non-degree level programme e.g. HND*. The research has some interesting comparisons for our study concerning the value of studying HE in an FE college. The report noted that

“ Our interviews with students suggested that early educational experiences and the influence of family were also important factors in determining HE choices. There was evidence to suggest that students from vocational backgrounds did not, on the whole, have major problems accessing HE, nor were they struggling unreasonably to cope with the demands of HE.”¹⁰

2.3.4 Another BIS Research Paper (Number 9)¹¹ looks at the role and importance of finance when people are deciding to go into full-time Higher education in the UK. The **Going into HE** study ran from autumn 2007 to winter 2008; it was carried out by the Institute for Employment Studies (IES) on behalf of the Department for Innovation, Universities and Skills (DIUS)

2.3.5 Although the research is primarily related to traditional HE one of the key findings from the research is important for HE in FE and parallels our own conclusions in this report:

‘Applicants and students were nearly unanimous in seeing HE as an investment in career and earnings potential although some of them were worried about whether their investment would perform well over time. Despite this view, non-financial considerations, especially location and setting, outnumbered financial factors for applicants deciding between HEIs. For applicants whose backgrounds are less traditional in terms of HE entry (as gauged from social class, local area and prior HE experiences within the family), these location and setting considerations often equated to proximity to home, which has attendant cost advantages. Ideas of location and setting also tended to divide into mainstream concerns, such as an area’s student-friendliness, and a set of more horizon-limiting concerns such as whether a person might feel culturally or racially out of place in a given area’.

¹⁰ *Alternative Routes into and Pathways through Higher Education* Research paper no. 4 Para 8.84 page 87

¹¹ Usher, T with Baldwin, S., Munro, M., Pollard, E. and Sumption, F. (Jan 2010) *The Role of Finance in the Decision-making of Higher Education Applicants and Students* BIS Research Paper Number 9 by the Institute for Employment Studies. Accessed on 22.02.10 at: <http://www.dius.gov.uk/~media/publications/B/BIS-RP-009>

'For non-traditional potential applicants, the main impact of a variable fee and support regime might therefore be on where they choose to study'.

2.3.6 The two **Futuretrack**¹² studies are both long term, longitudinal studies which set out to investigate a number of areas of the student experience of HE. Funded by the Higher Education Careers Service Unit (HECSU) the full-time study follows 50,000 students who began their studies in 2006 through HE and into their first job. The study follows the cohort for six years. This research was undertaken by Kate Purcell and colleagues at the Institute of Employment Research at University of Warwick and was published in December 2009. A similar study of part-time students, many of whom will be undertaking their studies in HE in FE, is currently underway. This latter is being carried out by Claire Callender and her colleagues at Birkbeck College and is partly funded by BIS.

2.3.7 Just under half of the full-time Futuretrack students came from the widening participation cohort. Amongst the conclusions drawn from both studies are these:

- *socio-economic background was a major factor in decisions about where to study, with poorer students more likely to study locally and live at home*
- *part-time students were employment and career driven. They wanted an HE qualification in order to get ahead and meet their career ambitions*
- *only a minority of part-time students receive any help with fees from their employer – about 41%.*

2.3.8 In November 2009 **UVAC** (the University Vocational Awards Council) completed its report on vocational progression to HE¹³. This reviewed the position of those wishing to enter HE from a base of vocational qualifications and noted that the rationale for supporting such a route was well-known – it is based around arguments of skill needs, employability and social mobility. The report analyses the barriers to such progression and offers 24 Recommendations to policy makers. Of interest to this report are the first three:

¹² HECSU. November 2009. Futuretrack: Findings from the Second Futuretrack Survey of 2006 applicants for UK Higher Education

¹³ UVAC. November 2009. *Progression from vocational and applied learning to higher education in England.*

Recommendation 1 – HE and FE partnerships, potentially working with Ofqual-regulated awarding bodies, should be funded to develop, deliver and award a new range of short, flexible, bespoke qualifications at level 4 with industry and professional credibility. This must be aimed at apprentices, other vocational learners and employees performing level 3 job roles with an aptitude and desire to progress to level 4 job roles and beyond.

Recommendation 2 – In the development of vocational progression, Government policy focus should be on progression to any higher level learning programme (e.g. Foundation degrees, honours degrees, HNDs/HNCs, new technical qualifications at level 4, higher-level NVQs, other higher level qualifications awarded by awarding bodies regulated by Ofqual and recognised professional qualifications), including 'bite-size', accumulative progression through accredited units, based on the best interests of the vocational learner and where existing, their employer.

Recommendation 3 – Government should champion and support, through targeted funding, those institutions (including FE colleges with significant HE programmes) that can demonstrate a commitment to recruiting vocational learners and that have, or are developing, expertise in the provision of learning programmes, recruitment processes and related support that meet the needs of level 3 vocational learners and their employers

2.3.9 Finally, the **UK Commission for Employment and Skills (UKCES)** published its audit of England's current skills base and future needs in March 2010.¹⁴ This two-volume document contains a detailed analysis of current and future skill needs by sector and by level of skill. It notes that:

“The Audit highlights the growing importance of technicians, driven by growing technological complexity, many within emerging sectors as well as existing sectors. This calls for vocational knowledge and workers with the ability to apply an in-depth understanding of a particular (often technical) field in a practical setting. This, in turn, places a growing emphasis on strengthening the intermediate vocational career pathways (from level 3) to ensure that the skill requirements for these jobs can be met and people can progress into these areas. Furthermore, whilst there are indications that in some of the traditional sectors, intermediate jobs (in for example skilled trades) are forecast to decline, many of these areas comprise a largely ageing workforce, and when replacement demand is taken into account, combined with issues about the adequacy of supply, this highlights significant pressing skills supply needs. In addition, the highest densities of skills shortages occur in many of these areas, and have persisted for some time. Further, there will also be emerging opportunities amongst the ‘emerging’ sectors for skilled trades too which will need to be met.”

2.3.10 Our own report includes analysis by representatives of the RDAs and the SSCs. The UKCES audit complements their comments by noting that:

“In regional terms, skill gaps are highest in the South East, the South West and the West Midlands. It is interesting to note too, that the largest increase in skill gaps since 2007 occurred in the South West and the West Midlands.

At sub-regional level, differences between cities in different locations and other areas have been subject to some attention because of their widely varying skills supply. There is evidence of a ‘north/south’ and ‘city/non-city’ divide. A major review of English cities illustrates that cities with highest proportions of people with graduate level qualifications are concentrated in the South East and those with highest proportions of people with no qualifications are in the north and west of England. Although supply of people with degrees has risen everywhere over the past 10 years, the gap between cities with low and high shares of graduates has widened since 1991. Cities and towns in the South East also have a higher proportion of children gaining good GCSE results (Parkinson, 2007).”

¹⁴ UKCES. (March 2010.) *Skills for Jobs: Today and Tomorrow. The National Strategic Skills Audit for England 2010.*

- 2.3.11 One of the distinguishing features of HE in FE is the close collaboration with employers in the design and delivery of relevant vocational programmes. The UKCES team notes that:

“Employer influence over content of qualifications taught in higher education and exposure to work experience appear to yield enhanced likelihood of graduate level employment. The same can be said of intermediate vocational qualifications, particularly Apprenticeships. This suggests that employability skills as well as qualifications which denote either technical knowledge or a general level of cognitive ability are valued by employers of graduates.”

2.4 Summary

This lengthy description of the context in which this study has taken place is made in order to show how well-placed HE in FE is, in terms of meeting public policy, student and employer need. Colleges which offer higher-level skills appear to provide positive outcomes to national policy initiatives – they are present in most towns and communities across the country, they are fleet of foot, in terms of rapidity of response to employer needs, offer high levels of support, often to students who have been with them for their FE training and provide a high quality HE experience led by well-qualified teachers.

- 2.4.1 The key strategic questions for colleges are how to sustain funding stability in uncertain times and how to maintain and enhance the quality of what the sector offers. (And which students and employers expect.) The two issues are linked and we return to them regularly in the subsequent sections of our report.

3. Report Overview

3.1 Why was this report written?

We undertook this research because whilst many claims are made for HE in FE, very little evidence has ever been collected across a large range of Colleges to defend or challenge some of the comments that are made. We set out to capture the views of a range of stakeholders and to do so in sufficient numbers to establish both a firm evidence base and a series of benchmarks for any future study of HE delivered in an FE setting.

3.2 The scale of the Report

This is a large-scale review of HE in FE. Using the three general lines of enquiry, (“Mapping the territory”; “Identifying the issues”; “Developing the strategy”) we contacted 80 providers of HE in FE and had either face-to-face or telephone discussions with 66 lead college staff. In the main these were Directors of Higher Education, but a small number of College Principals also offered to give us their perspective on current HE in FE matters. Working with IfL, (the Institute for Learning) we obtained the views of more than 3,000 HE in FE teaching staff and complemented this by a similar on-line survey of over 800 students who were pursuing their HE in FE. We also spoke to a number of Regional Development Agencies, Sector Skills Councils and Lifelong Learning Network staff to obtain the perspective of a range of external agencies. As a result we have accumulated a large volume of information about HE in FE.

3.3 The structure of the Report

Given the wealth of data that we had in our possession, it was important that we presented this in a readable way and we have chosen to adopt a two-part approach to the report. What follows is a summary of our findings, with conclusions and recommendations for future action, and then five free-standing component reports. This Overview refers to the findings in the more detailed reports, each of which is likely to be of interest to different readerships.

3.4 Summary of outcomes

The participants contacted in the course of this project are unanimous in their view that HE in FE is a respected and credible part of the HE landscape. It has achieved a maturity which is acknowledged by a number of outside organisations, such as QAA, and has been referenced in recent policy documents as having a key role to play in the emerging HE landscape. This could provide the foundation for a series of innovative responses to support economic recovery and sustain wider participation in HE. The provision of higher level skills, delivered through a variety of means, is seen by many as a crucial component of both the college offer and national need and this report provides evidence that such a view is not without foundation. However, for this to happen, the evidence available to us suggests that colleges must focus their efforts in several key areas. Using the sections of the report as a guide, the following points have emerged:

3.4.1 Mapping the territory

- HE in FE engages students, subject disciplines (principally in vocational areas) and geographical areas that traditional HE providers find difficult to reach
- Although some Colleges organise HE in FE separately from their FE provision, most see real benefits for students and staff in the mutually-beneficial relationships which can exist when HE and FE are closely allied
- HE provision in Colleges covers a wide range of subject disciplines, often responding to local or regional need. It is less clear how this provision meets changing priorities such as SIVs and engagement with the New Industries, New Jobs agenda is variable
- HE in FE also covers a range of levels of study. However, current provision and plans for any growth across the sector focus on Foundation Degrees
- HE in FE has measurable impact at local and regional level, dealing with specialist areas where demand may be restricted or shorter term. This includes working closely with regional agencies for economic development and small businesses
- In some geographical areas where transport systems are poor and access to University-based HE is difficult, such as the South West and East Anglia, HE in FE offers the only accessible route to HE
- Employers choose to send their employees on College-based vocational HE provision.

3.4.2 Identifying the issues.

The staff perspective

- Staff clearly value the opportunity to teach on HE courses, finding this personally and professionally satisfying
- IQER is seen as a constructive process which has increased staff confidence on a range of HE matters.
- Although “scholarly activity” was not identified as a key issue, Colleges accept the need for staff teaching HE to be current in their knowledge of their subject and credible with their students and employers.
- There is a need to identify a credible source of professional support and development for those who teach HE in FE. Most staff rely on other colleagues and informal networks for this distinctive type of CPD

- In the vast majority of Colleges, staff are employed on a standard “FE” College contract. Given the absence of nationally agreed conditions, Colleges are developing their own interpretations and practices within those conditions. Staff regularly commented that sufficient time must be made available within these for adequate preparation to teach at HE level

The student perspective

- A significant majority of students make a positive choice to study HE in an FE College. Local access, course choice and price are important considerations
- HE in FE is the first choice for many younger students: they are not there because they failed to secure a place at University
- HE in FE students are motivated by the enhanced employment prospects higher level vocational qualifications can bring
- Students value higher taught hours, access to their tutors and small class sizes
- Students value teaching expertise and subject currency above research activity in their teachers
- Students studying HE in FE may be seeking a different experience of HE compared to their peers attending traditional universities

The views of external agencies

- SSCs, Strategic Health Authorities, Lifelong Learning Networks and Local Authorities all work closely with FE Colleges when addressing their needs for higher-level skills
- There is less involvement with RDAs but this varies within and between regions
- All agencies commended the speed with which Colleges are able to respond to employer need
- The nuclear industry and the health sector are the most likely areas of the New Industries, New Jobs agenda to involve Colleges, at least initially
- It is still felt that Colleges are still more likely to focus on the needs of students than employers
- A regional broker, such as the Association of Colleges, is needed to ensure that the potential of Colleges is recognised by a range of planning agencies and that Colleges are aware of the funding streams available to them from these sources.

Potential threats to HE in FE

- Most Colleges expressed concern that reductions in HE student numbers or funding would adversely affect their provision
- Although there are some excellent examples of HEI/FEC partnership working, Colleges still find difficulty with some aspects of the relationship, which is perceived as both hierarchical and unnecessarily burdensome
- Course viability, rather than meeting emerging local need, may become a priority
- Funding restrictions in other FE-related aspects of the Colleges' work could have a detrimental impact on the ability to deliver HE in FE
- Data collection is uneven: many Colleges still have an uncertain grasp of data collection and management.

Potential opportunities

- Most Colleges saw great potential for expansion in vocational higher-level skills provision
- At a time of economic restraint, the ability of Colleges to offer skills-based provision in a responsive and cost effective way could lead to an expansion in College-based HE provision.

3.4.3 **Developing the strategy**

Perceptions of risk

- Some FECs appear to underestimate the risks to their provision, especially when taking into account changing policies in partner HEIs
- Colleges make the assumption that higher-level vocational skills and widening participation will remain a priority
- Many FECs need to have clearer strategies for HE. These should set out why they are making this provision, how it links with their FE provision and also how it will be resourced and supported in the short and medium term.

Organising HE in FE

- There is no consensus around the “best” College organization to deliver HE in FE
- However, Colleges must recognise the different demands of HE in FE and organise and resource accordingly

- There is an emerging sense that HE students see themselves as a distinctive group within the FE College setting. Many would prefer a separate environment for both social arrangements and teaching from FE students, and many comment on the presence of school-age students in an otherwise adult setting.

4. Conclusions

- 4.1 HE in FE is an established part of the new HE landscape that now contains a range of providers of HE. This is no longer territory solely occupied by Universities funded from the public purse.
- 4.2 There are a number of private providers of HE in England, most but not all of which are for-profit organisations and some of which, such as BPP and the College of Law also have degree-awarding powers. Private providers rarely engage in research, are employment-focused, charge high fees, use professionally-active staff to deliver courses, and make intensive use of on-line learning. In the main, their students are interested only in achieving work-related qualifications which will directly advance their careers.
- 4.3 The HE that is delivered in FE is similarly work-focused, but across a broader range of sectors than that currently occupied by the bulk of private providers. In the main, Colleges focus on Foundation degrees and Higher National qualifications, with less time being devoted to Bachelor degrees. At a time when the public purse is under pressure, the relative strengths of the different providers will come under scrutiny. College staff are employed on FE terms and conditions and are first and foremost teachers. Many are qualified in their original profession as well as being qualified teachers. They deliver work-related qualifications for a fee that is usually less than that charged by Universities and do so at a lower unit cost at the point of delivery than would be the case in a University setting.
- 4.4 IQER outcomes suggest that the quality of HE in FE is high. By the end of the academic year 2009 – 2010, QAA will have undertaken approximately 237 reviews and of the 63 published reports, only two have negative outcomes for Colleges. The comparable figure for the 130 English Universities is not available. In many cases, IQER assessors have commented on the quality of the employer engagement activity undertaken by Colleges.
- 4.5 Colleges have made a major contribution to widening participation in HE. In many areas, such as Bristol, Portsmouth, Nottingham or the towns of the North East, participation in HE is low. College staff in these areas are able to evidence the impact that they have made, not least with the development of a pool of people with HE qualifications who have remained and work in their locality but who are now able to act as exemplars to others, young and old, of what can be achieved through further study.
- 4.6 College staff commented that in some subjects nearly 100% of Level 3 students moved on to Level 4 study in the same or a related subject within their Colleges. Whilst in many cases the internal progression figure was less than this, the social and intellectual confidence gained by many students (e.g. those who had initially enrolled on Access courses, or who wished to pursue

full-time HE) frequently enabled them to consider applying for HE courses at nearby Universities, joining the 40% of College students who progress to HE. This role in broadening experience is often overlooked in any analysis of HE in FE.

- 4.7 The students who pursue their HE in FE do so for very clear reasons. Our student survey sets these out in more detail, but of relevance is a comment from one Director of HE, who noted that students who had moved on to University for a top-up Honours year often kept in touch with their former tutors in the College and invariably made comparisons between the approaches taken by the two institutions. He observed that contrary to staff expectations, the students rarely made any reference to the quality of the resources available within the receiving University – but they did comment on the larger class sizes and lack of contact time with their tutors.
- 4.8 In some Colleges, demand for places on particular HE courses had reached a point where the College was able to raise its admissions criteria. Staff were clear that aside from offering an impartial way of allocating places, one effect of this was to raise the status of the College and the course within the local community, as well as improving retention rates, raising standards and enhancing reputation.
- 4.9 Our research has covered a wide range of topics and leads us to conclude that HE in FE occupies a valuable niche that does not set out to compete with either the research-intensive Universities or the more narrowly-focused private providers of HE. It is characterised by being work-related if not work-based and often leads on from vocational qualifications, including Apprenticeship, rather than academic.
- 4.10 Many of our respondents noted that HE in FE lacks champions: whilst the University sector and many private providers are able to field influential supporters who can rally to their cause, HE in FE does not find it easy to attract the skilled networkers and lobbyists needed to perform this role for the distinctive brand of vocational higher education that is delivered in FE Colleges.

5. Recommendations

5.1 New policy directions

- Higher level skills are at the centre of plans for economic recovery. However, it has proved consistently difficult to articulate effective responses. Colleges have the potential to respond if enabled to do so by offering funded modules of study (currently deemed ultra vires) and empowered to work in consortia or other partnerships with Colleges and employers
- Government should work with employers to ensure that higher level skills are seen to be valued, encouraged and recognised as a valid pathway to higher study
- Learners achieving vocational qualifications at Level 3, including Apprenticeship, are considered less likely to progress to higher level qualifications. However, much tracking only follows those choosing full time

pathways. Better methods to track part time and flexible routes are required, including those which are undertaken some time after the Level 3 qualification is obtained

- Providers and designers of higher level qualifications must ensure that those qualifications are attractive to those learners who are currently reluctant to participate. This is most likely to be achieved by using flexible methods of design, delivery and assessment which build on the methodologies used in Level 3 rather than rely solely on traditional “academic” approaches
- Funding regimes should be structured to prioritise and incentivise higher level skills, where necessary targeting funds at specific types of provision

5.2 Action for Colleges

- Colleges delivering HE must have a clear strategy and rationale, which takes into account both the changing external environment and the College’s own capacity and aspirations
- HE in FE is an emerging recognised brand. Colleges must ensure that the uniqueness of that brand is developed and sustained
- Colleges must allocate sufficient human and other resources to deliver HE to the highest levels of quality
- College staff should be encouraged to undertake appropriate professional updating and participation in related national networks
- Colleges maintain that they make an important contribution to higher level skills at local and regional level. However, whilst there are many examples of good practice, Colleges have yet to establish themselves firmly as the preferred providers for such skills. Greater efforts to work with regional skills bodies, sector skills councils and employers are required if this is to be achieved

6. Post script

Since completion of the research phase of this project, a new coalition government has taken office committed to addressing the serious economic situation facing the UK. As with previous administrations, higher level skills are placed at the centre of recovery. Colleges have the opportunity to build on the strengths described in this report to deliver cost effective higher level skills programmes which deliver value for money, high levels of quality and the skills needed by individuals and the economy.

7. Areas for Further Investigation

In the course of undertaking the research and preparing this report, a number of areas for further investigation were identified. These include:

- Developing new approaches and definitions of higher level skills
- Continuing professional development for College staff teaching HE
- Creating networks for self help and collaborative working
- Better engagement with employers in delivering higher level skills