University and College Union

‘Further, higher, better’

Submission to the government’s second Comprehensive Spending Review

Section 1

1 Introduction

Further, adult and offender education

Further, adult and offender education make a significant and growing contribution to the economy through skills education, providing a second chance at education, and promoting inclusion.

The further education sector is at the heart of skills training in the UK, with rising numbers of young people and adults gaining good vocational qualifications. Further education plays a significant role in the government's Apprenticeships programme, and in equipping more than a million learners in basic literacy, numeracy and language skills.

Adult education contributes enormously to skills development, and to enhancing the quality of life of hundreds of thousands of learners. Prison and offender education has moved to the centre of policy and practice in the area of rehabilitation of offenders and the prevention of re-offending.

Further education has a key role to play in social justice and inclusion, giving disadvantaged people another opportunity for education. As the Chancellor, Gordon Brown, said in his 2006 Budget speech, the sector provides, for those who have missed out on their first chance in education, 'a second chance to make the best of themselves'.

The 2006 White Paper, Further education: raising skills, improving life chances, emphasised the recent achievements of the further education sector.

'Recent improvements in results achieved by the education and training system owe a great deal to FE: the significant increase in the proportion of 19 year-olds achieving level 2 qualifications – up 3 percentage points to 69.8%; the improvement in completion rates for full Apprenticeship frameworks from 31% in 2003/4 to 40% in 2004/5; the recent increase in post-16 participation to new record levels; and the overall improvement in success rates in FE from 59% in 2000/01 to 72% in 2003/04.' The White Paper continued: 'Those improvements are a tribute to the skill, dedication and hard work of all those working in the FE system.'[11]

The quality of further education colleges is high. Just 2% of colleges are judged by Ofsted to be inadequate, compared to 20% in 2001. Although the 2006 White Paper proposed for 'failing' colleges the possibility of opening provision up to competition from the private sector, in response, UCU's Barry Lovejoy has said: 'We don't agree that FE is ripe for private organisations to make a quick buck. It has been shown that where problems of quality are identified, they can be turned round very quickly.'

Nevertheless, there are significant challenges for the sector, particularly in raising the proportion of young people staying on in post-16 education and training; in raising the proportion of young adults gaining a level 3 qualification in their early twenties; and in the number of adults in the workforce without appropriate skills for employment.

The government – through its strategy for 14-19 education reform, and its adult skills strategy – has ambitious targets for increasing the numbers of participants to 90% of 16-19 year-olds; for increasing those with level 2 and 3 qualifications; for increasing the numbers completing Apprenticeships; and for improvements in adult literacy and numeracy skills.

We welcome the steps taken by the government in 2006 to provide free further education to level 3 for those aged 19-25. We see this measure playing an important part in starting to meet the challenges mentioned above. We look too for the government to work with school providers to tackle pre-16 underachievement.

Significant investment is needed to provide the resources for likely expansion and specialisation by colleges, for adequate up-to-date learning facilities and infrastructure, for the enhancement of quality and for adequate continuing professional development for the staff who will be providing further education.

However, in the government's prioritising of 14-19 reform to help people gain the skills and qualifications for employability, and the 'reconfiguration of the system around this mission' and 'strengthening the focus of the system as a whole on a core economic mission with increasing specialisation in colleges',[12] we are concerned that older learners, particularly post-25, do not lose out, and that adult and community provision is not priced beyond the disadvantaged.

Higher education

The quality of provision by higher education institutions in the UK is well documented, through the Quality Assurance Agency and its forerunners, as well as through external examiners, and now through students' opinions in the Teaching Quality Information exercise.

The quality of research in UK HEIs has been attested repeatedly through the Research Assessment Exercise, as well as through citation analyses and the international recognition given to approximately 90 UK academics – or people who have worked for a significant period in UK higher education – who have won Nobel prizes. The new knowledge generated over the past century and more in UK universities has literally changed the world we live in.

The contribution of universities to the economy of the UK is also well-documented. A report for Universities UK in 2002, cited in the government's 2003 higher education white paper 'The future of higher education', said £35bn of output in the UK was dependent on higher education, more than half a million full-time equivalent jobs in the UK were generated by HEIs, and that

for every 100 jobs created directly within a HEI, another 80 are generated elsewhere in the economy across all sectors.[13]

UK higher education has coped with a massive increase in student numbers in the past 20 years. The student-to-staff ratio has more than doubled. But quality has been maintained in all but a tiny number of instances. Graduates of UK universities go on to make a significant contribution to our society and economy, bringing knowledge and skills that help build civic society and strengthen our national livelihood.

Comment

In short, there are many success stories in further and higher education in the UK. But there are significant challenges, too. Skills levels remain low in a number of areas, and do not compare well with international competitors. Access to further and higher education needs to be increased, and there needs to be wider participation by learners and students from disadvantaged backgrounds. Quality needs to be maintained and enhanced. Infrastructure for learning, teaching and research needs to be continually updated. Staff need adequate levels of pay, and adequate provision for continued professional development.

The aim of the rest of this document is to analyse further, adult, offender and higher education in the UK to see where investment needs are, and to put forward ideas for the continued development of post-16 education.

2 Public spending on further education

Gordon Brown, Chancellor of the Exchequer, 2006 Budget speech:

'We are today setting aside resources so that up to the age of 25, further education all the way up to the scale to A-level standards will be free of charge. That new right to free learning will be backed by adult learning grants to help with costs of living.'

' … to make a reality of second chances in education at all ages, we must also strengthen our further education colleges – centres of learning that have been neglected in the past, but must be at the forefront of future skills.'

Further education in England

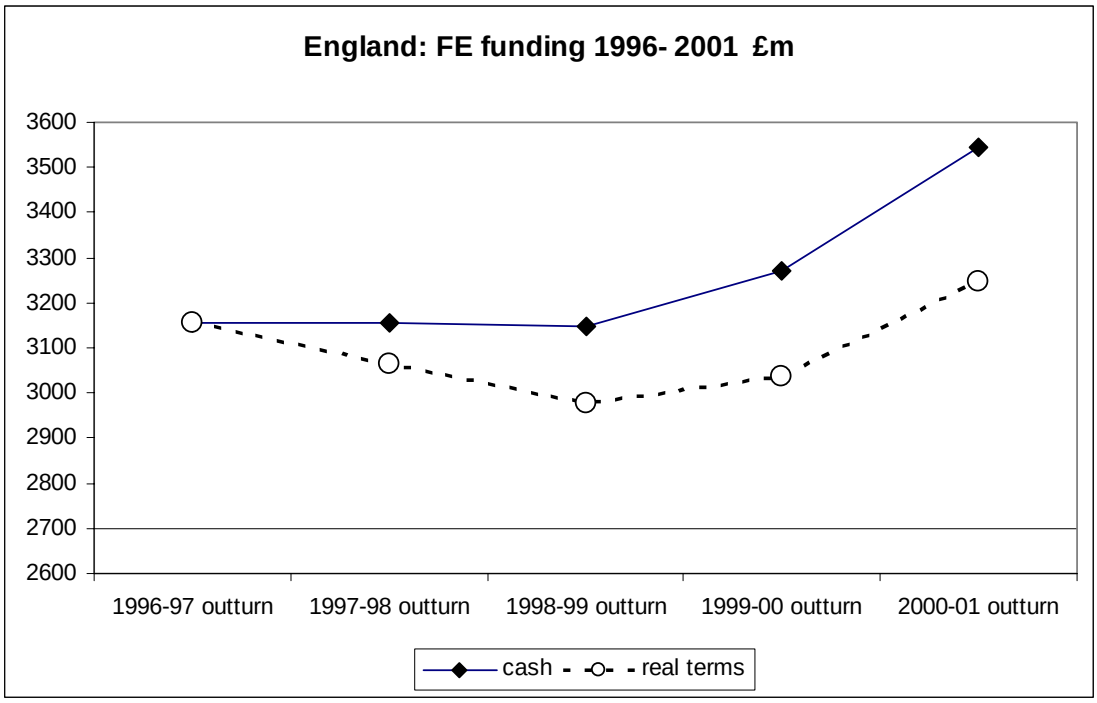
Nearly three-quarters (73%) of FE college income in England is from the government via the Learning and Skills Council; a further 11% comes from fees, and the remaining 16% is from other sources, including grants from the Higher Education Funding Council for England, and from the European Union.[14]

The first two years of the Labour administration saw real terms cuts in funding for further education in England. It was not until 2000-1 that real terms spending rose beyond the 1996-7 level.

England: FE funding 1996-2001

	cash	change	Real terms	change
	£m	%	£m	%
1996-97 outturn	3154		3154	
1997-98 outturn	3154	0.0%	3063	-2.9%
1998-99 outturn	3146	-0.3%	2978	-2.8%
1999-00 outturn	3271	4.0%	3037	2.0%
2000-01 outturn	3544	8.3%	3248	6.9%

Expenditure by function within Departmental Expenditure Limit - expressed as cash, except for 2000-01, which is in resource terms.
Source: DfES, Departmental Report 2002, Table 4.2; percentage and real terms calculations by UCU using HMT GDP deflator at 23.12.05



Expenditure by function within Departmental Expenditure Limit - expressed as cash, except for 2000-01, which is in resource terms.
Source: DfES, Departmental Report 2002, Table 4.2; percentage and real terms calculations by UCU using HMT GDP deflator at 23.12.05

In April 2001 the Learning and Skills Council became responsible for planning and funding education and training for everyone in England over 16, with the exception of HE. As a result, the LSC baseline in 2001-2 was much larger than the level of funding for further education to 2001. In 2002-3 and 2003-4 funding for the LSC (with the exception of Sixth Form Funding) rose by around 10% a year above the rate of inflation. Beyond 2003-4, the level of funding remains fairly flat at slightly above or below the rate of inflation, with a 1% real terms cut in funding planned for 2006-7, followed by a 1.8% real terms increase in 2007-8.

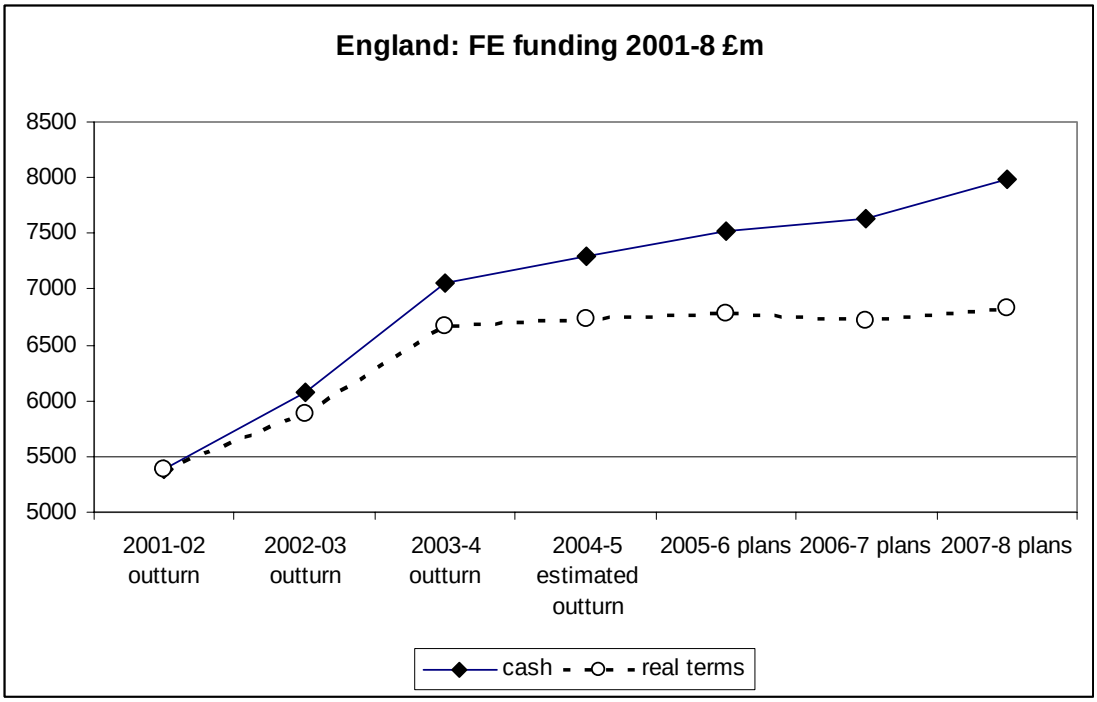
For the period from 2004-5 to 2007-8, there is a strong contrast between further education funding in England and in Scotland. Funding for the LSC (excluding Sixth Form Funding) will rise during that period by only 9.5%, while funding for the Scottish Further Education Funding Council (as was) is set to grow by 30.6%.[15]

In 2004-5, the total expenditure of the LSC (on FE colleges, school sixth forms, Apprenticeships, e2e, adult and community/family learning, work-force related programmes) was £9.24bn. Of this 54.9% was spent on young people aged 16-18, and 32.4% was spent on adults.[16]

England: Learning and Skills Council (except Sixth Form Funding)*

	cash £m	Change %	Real terms £m	Change %
2001-02 outturn	5391		5391	
2002-03 outturn	6076	12.7%	5889	9.2%
2003-4 outturn	7057	16.1%	6663	13.1%
2004-5 estimated outturn	7291	3.3%	6741	1.2%
2005-6 plans	7514	3.1%	6777	0.5%
2006-7 plans	7640	1.7%	6710	-1.0%
2007-8 plans	7984	4.5%	6828	1.8%

* consumption of resources in Departmental Expenditure Limits (DEL) - excludes Annually Managed Expenditure (AME) for Education Maintenance Allowances
Source: DfES, Departmental Report 2005, Table 12.2; percentage and real terms calculations by UCU using HMT GDP deflator at 23.12.05



Source: DfES, Departmental Report 2005, Table 12.2; percentage and real terms calculations by UCU using HMT GDP deflator at 23.12.05

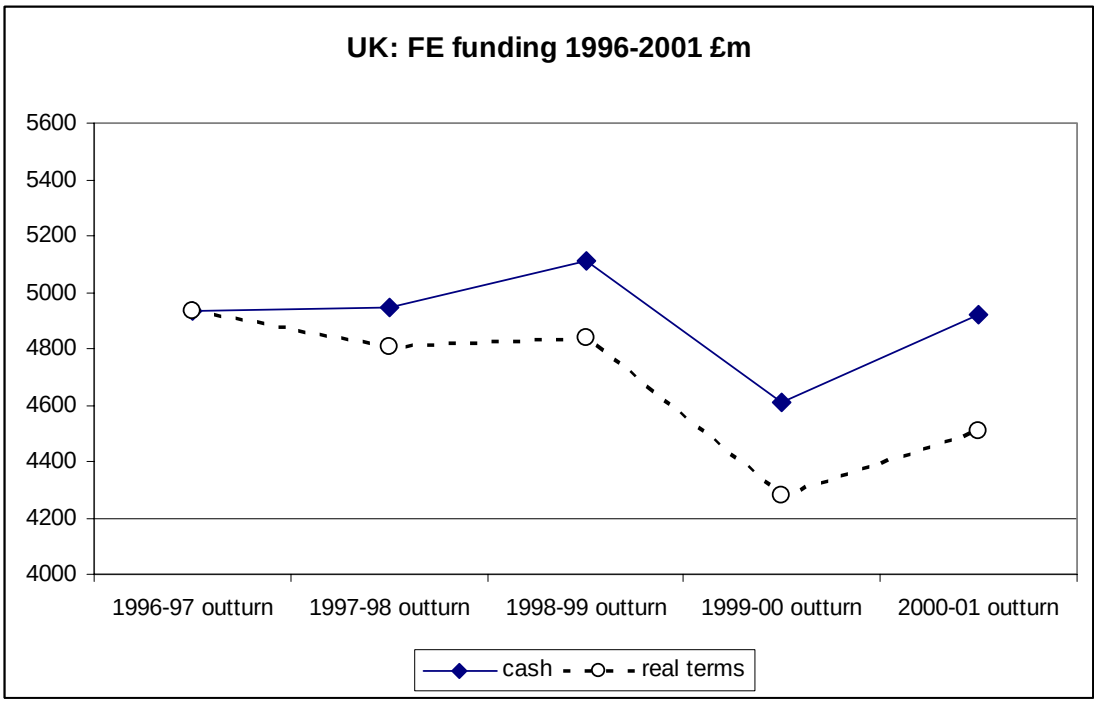
Further education in the UK

Funding for further education in the UK since 1997 shows an even more marked pattern of boom and bust than funding in England alone.[17] In the period to 2001, there were sharp cuts in funding, with real terms expenditure in 2000-01 considerably below the 1996-7 level.

UK: FE funding 1996-2001

	cash	change	real terms	change
	£m	%	£m	%
1996-97 outturn	4936		4936	
1997-98 outturn	4949	0.3%	4807	-2.6%
1998-99 outturn	5108	3.2%	4836	0.6%
1999-00 outturn	4612	-9.7%	4282	-11.5%
2000-01 outturn	4922	6.7%	4511	5.3%

Total Managed Expenditure (TME): current and capital expenditure of central government & local authorities; Cash basis (PESA 2001 used because data are all on cash basis, as opposed to later data which mix cash and resources)
Source: HM Treasury, Public Expenditure Statistical Analyses 2001, table 3.5; percentage and real terms calculations by UCU using HMT GDP deflator at 23.12.05



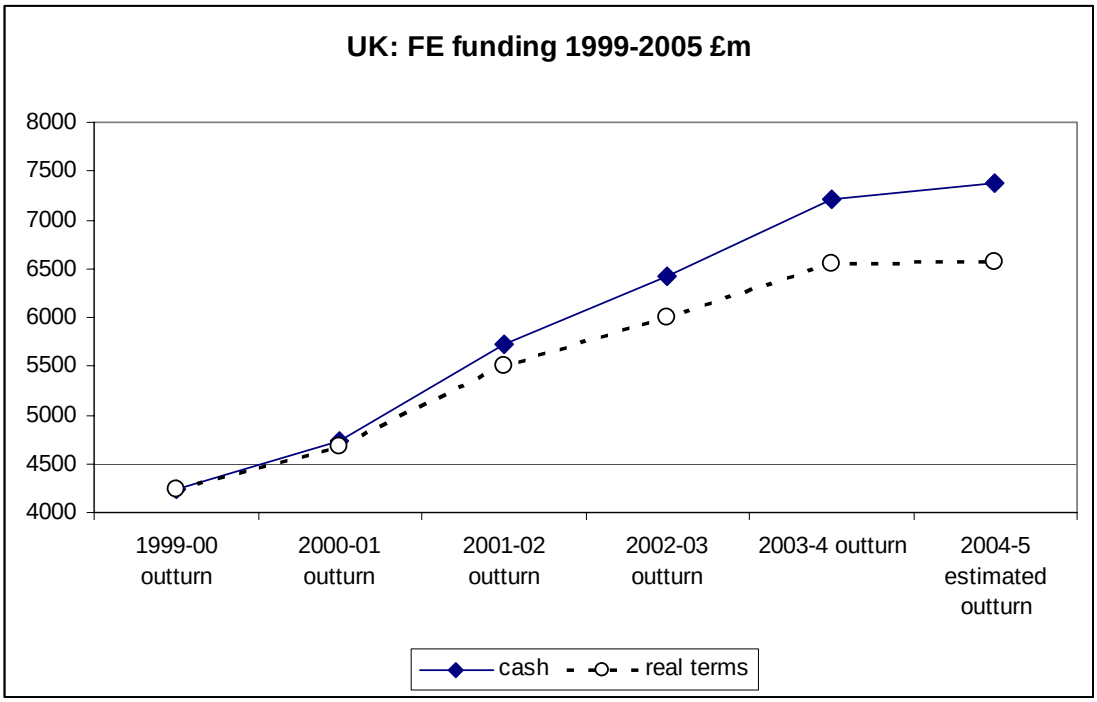
Total Managed Expenditure (TME): current and capital expenditure of central government & local authorities; Cash basis (PESA 2001 used because data are all on cash basis, as opposed to later data which mix cash and resources)
Source: HM Treasury, Public Expenditure Statistical Analyses 2001, table 3.5; percentage and real terms calculations by UCU using HMT GDP deflator at 23.12.05

In the period to 2005 [18] sharp increases are shown in official statistics for spending on FE in the UK, with a particularly large rise in 2001-2, the year the LSC assumed responsibility for FE funding in England. In the most recent year for which data are available, 2004-5, FE funding in the UK, as with funding in England, increased roughly in line with inflation.

UK: FE funding 1999-2005 £m

	cash	change	Real terms	Change
	£m	%	£m	%
1999-00 outturn	4230		4230	
2000-01 outturn	4741	12.1%	4680	10.6%
2001-02 outturn	5719	20.6%	5509	17.7%
2002-03 outturn	6430	12.4%	6003	9.0%
2003-4 outturn	7211	12.1%	6558	9.2%
2004-5 estimated outturn	7384	2.4%	6576	0.3%

Total Expenditure on Services: data presented on an accruals basis; includes capital expenditure, but excludes central government support for local authorities.
Source: HM Treasury, Public Expenditure Statistical Analyses 2005, table 3.6; percentage and real terms calculations by UCU using HMT GDP deflator at 23.12.05



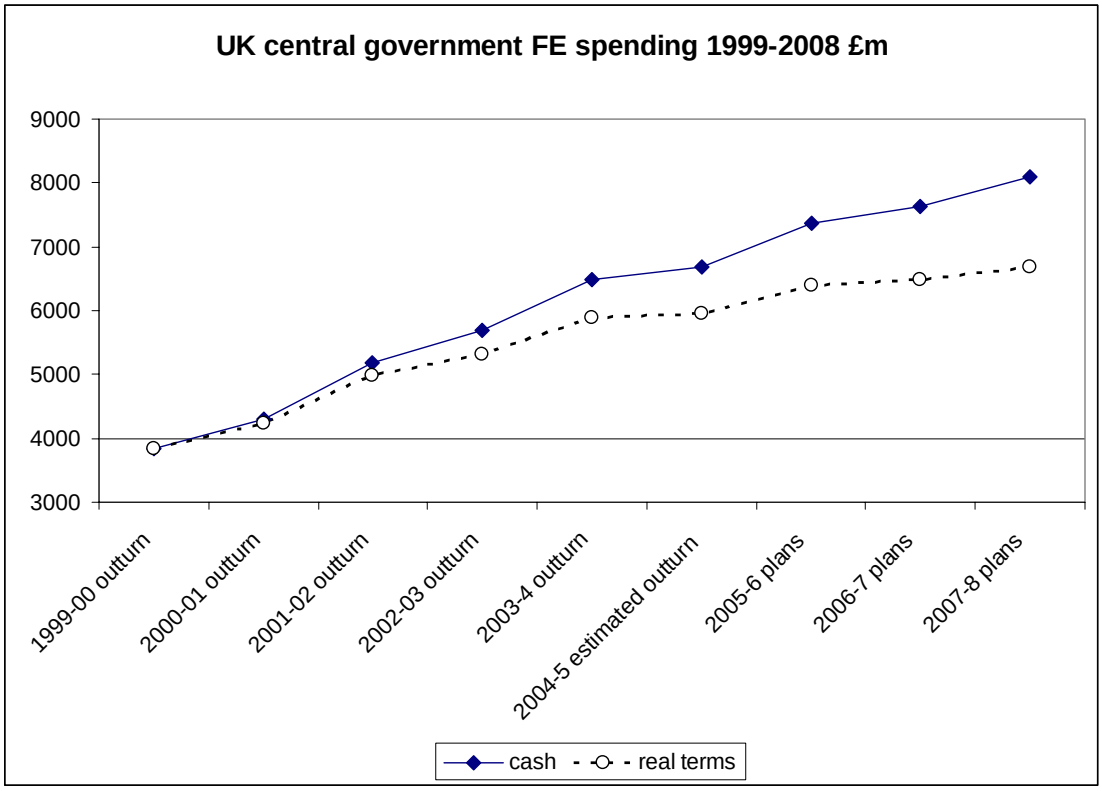
Total Expenditure on Services: data presented on an accruals basis; includes capital expenditure, but excludes central government support for local authorities.
Source: HM Treasury, Public Expenditure Statistical Analyses 2005, table 3.6; percentage and real terms calculations by UCU using HMT GDP deflator at 23.12.05

For the period to 2007-8, aggregate UK national statistics are only shown for central government own expenditure on services (this includes capital expenditure, but excludes central government support for the spending of local authorities). Data from the Treasury's Public Expenditure Statistical Analyses 2005 indicate that planned spending is set to increase above the rate of inflation in 2005-6 and beyond. In the 2005 Budget a five-year £1.5bn programme to renovate and renew FE colleges was announced.

UK central government FE spending 1999-2008

	cash	change	Real terms	change
	£m	%	£m	%
1999-00 outturn	3839		3839	
2000-01 outturn	4296	11.9%	4240	10.5%
2001-02 outturn	5186	20.7%	4996	17.8%
2002-03 outturn	5688	9.7%	5310	6.3%
2003-4 outturn	6484	14.0%	5898	11.1%
2004-5 estimated outturn	6687	3.1%	5955	1.0%
2005-6 plans	7361	10.1%	6403	7.5%
2006-7 plans	7637	3.7%	6484	1.3%
2007-8 plans	8093	6.0%	6693	3.2%

Source: HM Treasury, Public Expenditure Statistical Analyses 2005, table 4.5; percentage and real terms calculations by UCU using HMT GDP deflator at 23.12.05



Source: HM Treasury, Public Expenditure Statistical Analyses 2005, table 4.5; percentage and real terms calculations by UCU using HMT GDP deflator at 23.12.05

Proportion of GDP spent on further education

Treasury data show that spending by central government on further education (including the devolved administrations) to 2005-6 increases as a proportion of GDP from 0.42% to 0.60%, with major jumps in 1999-2004, then tails off slightly towards 2007-8.

UK central government spending on FE as % of GDP

	FE*	Proportion of GDP
	cash £m	%
1999-00 outturn	3839	0.42%
2000-01 outturn	4296	0.45%
2001-02 outturn	5186	0.52%
2002-03 outturn	5688	0.54%
2003-4 outturn	6484	0.58%
2004-5 estimated outturn	6687	0.57%
2005-6 plans	7361	0.60%
2006-7 plans	7637	0.59%
2007-8 plans	8093	0.59%

* Central government own expenditure on services, including capital – excludes local authority expenditure
Source: PESA 2005: table 4.5; GDP current at 23 Dec 2005 http://www.hm-treasury.gov.uk/media/578/12/GDP_deflators_20051223_NA_update_circ.xls; percentage calculations by UCU.

Spending per learner in FE

Over the period from 1997-8 to 2005-6, spending per learner in further education in England has changed from real terms reductions to real terms increases. In 1998, the first year of the new Labour government's spending plans, spending per full-time equivalent (FTE) learner was planned to drop quite sharply in real terms, under the spending regime inherited from the previous administration. By 2002, spending per learner was planned broadly to hold steady in real terms. By 2005, spending was planned to continue rising quite rapidly in real terms.

Data on full-time equivalent learner numbers in England show a reduction from 1,010,000 in 1997-8 to 945,000 in 2002-3. So although there have been undoubted real terms increases in public funding for the sector, the fall in FTE learner numbers in further education has contributed to the growth in funding per FTE learner.

Public funding per FTE learner in government-funded further education colleges in England

	1998 plans		2002 plans		2005 plans	
	Funding per FTE learner	Real terms index	Funding per FTE learner*	Real terms index	Funding per FTE learner*	Real terms index
	cash		cash		cash	
	£		£		£	
1993-4	3,080	100				
1994-5	3,040	97				
1995-6	2,930	91				
1996-7	2,920	88	3,050	100		
1997-8	2,890	85	3,070	98		
1998-9	2,840	81	3,120	97		
1999-0			3,360	101	3,290	100
2000-1			3,380	100	3,470	104
2001-2			3,500	101	3,830	112
2002-3			3,550	100	3,980	113
2003-4			3,610	99	4,350	120
2004-5					4,520	122
2005-6					4,840	127

* for participation
Source: DfEE departmental report 1998; DfES departmental report 2002; DfES departmental report 2005

Funding per full-time equivalent learner in further education in England grew by 27% above inflation between 1998-9 and 2005-6, according to the Department for Education and Skills. By comparison, real terms funding per school pupil over the same period grew by 37% above inflation. It should be noted that the baseline amounts differed between schools and FE, with the schools data excluding capital funding, and FE including it.

School pupils and FE learners, England: real terms funding

	School pupil*	FE learner**
	Revenue funding	total funding
	real terms index	real terms index
1998-99 outturn	101	100
1999-00 outturn	105	107
2000-01 outturn	113	114
2001-02 outturn	118	123
2002-03 outturn	122	121
2003-4 outturn	126	121
2004-5 estimated outturn	130	125
2005-6 plans	137	127

* Source: DfES Annual Report 2004, table 2.5; excludes capital funding
** Source: DfES Annual Report 2004, table 2.6; includes capital funding

School/FE funding gap

In her speech to the Association of Colleges conference on 16 November 2005, Education and Skills Secretary Ruth Kelly said she wanted address the funding gap between schools and colleges for like-for-like provision. She told the conference: 'I feel as strongly as you that the gap is both unfair and an obstacle to achieving the type of integrated 16-19 system that we want to create. I think you will recognise that I can't solve the problem overnight. But I am determined to tackle it as rapidly as we can. In the funding package announced last month, we have taken some important steps. We have continued to increase FE funding rates relative to schools. We have confirmed that we will match the Schools' Minimum Funding Guarantee for young people in FE next year. We estimate that this, together with other measures to correct technical anomalies, will reduce the gap from 13% to 8% by 2006/07.' In addition, the 2006 FE White Paper says beyond 2006-7, 'we will take steps to narrow the gap further as resources allow.'[19]

Comment

The pattern of funding for further education in England since 1997 has been patchy, with funding changes at or below the rate of inflation in some years, and large real terms increases in others. While welcoming large but sporadic injections of cash, we call on the government to work towards a steadier model of funding for the sector to provide FE colleges with a more stable and reliable financial environment to work in. As the report by Colin Flint for the Foster Review noted: 'Colleges were promised a 3-year planning and funding cycle, which has not happened. An end to 'clawback' was also indicated, but there are examples where up to £1m is being taken back *in a year* … there can be no stability for colleges to plan and deliver under these circumstances … Means must be found to create greater planning stability.'[20]

We particularly welcome the increase in public spending on FE as a proportion of GDP. But this level of central government expenditure will need to rise towards 1% of GDP over the coming decade. Developing a further education sector which is able to deliver the skills programme necessary to help the UK as international economic competition intensifies will require additional resource and capital expenditure.

We note the Secretary of State's grant letter for 2006-7 funding to the LSC, realigning resources to support Public Service Agreement targets, including increasing the proportion of 17 year-olds in post-compulsory education from 75% to 90% over the next 10 years, and 'working towards' increasing participation of 18-30 year-olds in higher education to 50% by 2010.

We welcome the Secretary of State's intention to reduce the schools-FE funding gap. But the goal should be to get rid of the gap, rather than just reduce it. In particular, UCU would argue very strongly that the schools/FE funding gap is doubly iniquitous. Not only is it inequitable for similar programmes aimed at the same age group to be funded differently, but FE overall has a 16-19 student body which has achieved less than the similar

school cohort, and is working on lower levels of qualifications which often require more teaching and other support.

Evidence from the DfES evaluation of Success for All and from the Youth Cohort study show that FE colleges take a greater proportion of from relatively disadvantaged social backgrounds, from lower social classes and from black and ethnic minorities. The funding gap thus compounds the disadvantage already in the system. In localities that only have tertiary education for 16 to 19 year-olds, that is where there are no school sixth forms but all 16 to 19 year-olds in education and training attend an FE college or training provider, young people are being educated and trained on fewer resources than those localities with 16 to 19s in schools. FE is providing 16-19 education and training 'on the cheap'. At a time when we are trying to establish a more coherent system of 14 to 19 education implemented by schools and colleges working together, such inequalities not only cannot be justified, but may become a serious barrier to the successful implementation of these policies.

Additional resources are still urgently required. Not least, 2007 will see very severe pressure on sector resources with the ending of the present round of the European Social Fund, which supports a great deal of learning and skills provision in some of the most disadvantaged communities.

We note the goal announced by Chancellor Gordon Brown in the 2005 Budget of making available universal education or training to the age of 18: 'With China and India producing 4 million graduates a year I am convinced that Britain cannot afford to waste the ability of any young person, discard the future of any teenager, or leave untapped the talents of any adult … But with global competition it is essential and with the financial support I am offering our goal should now be that children not only start education at 3 but continue in education or training until 18.'[21]

We welcome the announcement in the 2006 Budget of the resources to make further education free to level 3 to the age of 25, along with adult learning grants to help with costs of living. These decisions are vital steps towards developing the skills of young people and improving the inclusiveness of the education system.

We echo the comment of the Association of Colleges last year in 'Manifesto 2005 – creating a better future for learners': 'Continuing learning to age 18 for all represents a real opportunity to improve the start that young people have in life and for tackling social exclusion before it becomes endemic.'

Increasing the proportion of GDP spent on FE will be needed:

- To meet the cost of free tuition to level 3 to the age of 25;
- To provide for the expansion of adult learning grants;
- To meet the cost of achieving the government's PSA targets;
- To make available universal education or training to the age of 18;
- to address the funding gap between schools and FE;
- to invest in staff and staff development;

- to provide the teaching infrastructure which will enable FE to keep up with the pace of technological innovation.

On the latter point, the Foster Review recommended that the LSC support the further development of specialisms, including a reformed CoVE (Centre of Vocational Excellence) programme.[22] For these centres to operate successfully and keep up with innovations in particular industries, financial support will be needed from the government, as well as support from employers.

As the Association of Colleges said in its manifesto: 'The alternative is missed targets and lost opportunities measured in less flexible businesses and an uncompetitive labour market. Public money needs to be spent on promoting access, raising standards and improving pay and new buildings. Higher pay will make colleges competitive in the recruitment and retention of specialised staff. New buildings will pay for themselves in reduced running costs and greater employer engagement.'[23]

We note the Prime Minister's comment in January 2006: 'in education the really big issue for the future will be about … how you improve adult skills further education, where I think there are real issues to do with reform and change'.[24]

If education and training for young people and adults is, as many claim, the key to economic regeneration in a globalised economy, public expenditure on education and training must be seen as a necessary investment.

The report of the Foster Review said very little about funding, despite making significant recommendations about changes for the sector. We recommend that an investigation takes place - similar to work which has been recently undertaken in the higher education sector - into the resource and capital needs of further education in the UK over the next 10 years to determine the level at which expenditure will need to rise. The investigation should provide funding models that reflect current levels of provision, the level of provision implicit in current government targets, and the more ambitious targets which are likely to emerge from the review of future skills needs by Lord Leitch.

We note the comments in the 2006 DfES FE White Paper on funding, particularly that funding will be targeted on priority areas and be demand-led. We are concerned that targeting young learners may mean excluding other categories of learner. 'The state cannot and should not pay for all education and training for adults. Adults and their employers receive substantial direct benefits from many forms of training and qualifications, in the form of higher wages and higher productivity. It is only fair that they should contribute to the cost.'[25]

We urge that these new funding arrangements are carefully monitored, so that disadvantaged adult learners are not penalised – the government should bear in mind the large proportion of current employees aged over 25 who need to update their skills through their working lives.

We welcome the intention to fully fund tuition for 19-25 year-olds up to a first level 3 qualification. However, we are concerned that there will be an approximately 50% fee contribution for adults not entitled to free tuition. We welcome the extension of the Adult Learning Grant to full national coverage from September 2007.

3 Public spending on higher education in England

Grant and fees

Recurrent grant from the Department for Education and Skills to the Higher Education Funding Council for England (HEFCE) and the Teacher Training Agency/Training and Development Agency for Schools rose by 75% in cash terms over the period 1997-8 to 2007-8. Capital grants rose massively, from £85m to £738m between 1999-0 and 2007-8. Put together, recurrent and capital grants went up by 95% (in cash terms) over the period.

Public or government contributions to tuition costs in higher education in England were £997m in 1997-8. The following year, private contributions to full-time undergraduate courses were introduced. But over the period from 1998-9 to 2005-6, as private contributions increased, public contributions decreased. So, by 2005-6, the total amount of public and private contributions was less in cash terms than public fee payments in 1997-8. Only with the introduction of variable top-up fees payable by students from 2006-7 has fee expenditure gone well beyond its 1997-8 level.

Grant and fees, England

						Fees	Fees	Fees	Fees
	Recurrent grant	Recurrent grant	Capital grants	Recurrent grant & capital	Recurrent grant & capital	public	private	total	total
England	cash £m	% change	cash £m	cash £m	% change	cash £m	cash £m	cash £m	change %
1997-98	3667			3667		997		997	
1998-99	3674	0.2%		3674	0.2%	1006	130	1136	13.9%
1999-00	4199	14.3%	85	4284	16.6%	561	243	804	-29.2%
2000-01	4353	3.7%	150	4503	5.1%	517	302	819	1.9%
2001-02	4587	5.4%	256	4843	7.6%	489	355	844	3.1%
2002-03	4822	5.1%	283	5105	5.4%	447	406	853	1.1%
2003-04	5176	7.3%	364	5540	8.5%	411	415	826	-3.2%
2004-05	5422	4.8%	584	6006	8.4%	415	445	860	4.1%
2005-06	5798	6.9%	649	6447	7.3%	434	508	942	9.5%
2006-07	6116	5.5%	704	6820	5.8%	434	966	1400	48.6%
2007-08	6428	5.1%	738	7166	5.1%	434	1389	1823	30.2%
1997-8 to 2007-8	75.3%			95.4%					

Public fee data for 2006-7 and 2007-8 has been held steady in cash terms at the 2005-6 level, because level of income following the introduction of variable top-up fees was not known at the time of the 23.12.2004 or 31.1.06 grant letter. Private fee data for 2006-7 and 2007-8 from OFFA.
Source: annual government grant letters to HEFCE; calculations by UCU

If private contributions to tuition are taken out of the equation, then recurrent government funding from grant and fees for higher education in England in 1997-8 to 2005-6 is relatively modest, rising by 11% above inflation.

Recurrent grant and public fees, England

	Recurrent grant & public fees	Recurrent grant & public fees
England	**cash £m**	**Real terms £m**
1997-98	4664	4664
1998-99	4680	4562
1999-00	4760	4550
2000-01	4870	4595
2001-02	5076	4674
2002-03	5269	4702
2003-04	5587	4858
2004-05	5837	4969
2005-06	6232	5182
1997-8 to 2005-6 change %	33.6%	11%

Source: annual government grant letters to HEFCE; percentage and real terms calculations by UCU, using HMT GDP deflator @ 23.12.05.

Top-up fees

What difference will top-up fees make in England from 2006-7? English higher education institutions have estimated that their top-up income will be approximately £458m in 2006-7, rising to £881m in 2007-8. If added to the flat rate undergraduate contributions to tuition, total fee income in England will rise by 49% in 2006-7 and by 30% the following year.

HE fee income, England

	Fees	Fees	Fees	Fees
	Public*	**private**	**total**	**total**
	cash £m	**cash £m**	**cash £m**	**change %**
1997-98	997		997	
1998-99	1006	130	1136	13.9%
1999-00	561	243	804	-29.2%
2000-01	517	302	819	1.9%
2001-02	489	355	844	3.1%
2002-03	447	406	853	1.1%
2003-04	411	415	826	-3.2%
2004-05	415	445	860	4.1%
2005-06	434	508	942	9.5%
2006-07	434	966	1400	48.6%
2007-08	434	1389	1823	30.2%

*For this estimate, public fee contributions have been held constant in cash terms in 2006-7 and 2007-8 at 2005-6 level.
Source: annual government grant letters to HEFCE; percentage calculations by UCU.

HE spending as a percentage of GDP

Excluding fee payments by students, public spending (recurrent & capital grant and public fee contributions) on higher education in England has remained steady as a proportion of GDP over the period from 1997-8 to 2007-8 (public fee contributions have been estimated for 2006-7 and 2007-8).

Including fee payments by students, spending on higher education in England will grow from 0.57% of GDP in 1997-8 to 0.66% of GDP in 2007-8. Over the same period, public spending on education as a whole in the UK as a proportion of GDP will grow by slightly over one percentage point.

HE spending as a percentage of GDP, England

	England: Public spending on HE as % GDP*	England: Public & private spending on HE as % GDP	UK public spending on education as % GDP**
	%	%	%
1997-98	0.57%	0.57%	4.5%
1998-99	0.54%	0.55%	4.5%
1999-00	0.53%	0.55%	4.4%
2000-01	0.52%	0.55%	4.6%
2001-02	0.53%	0.57%	5.0%
2002-03	0.52%	0.56%	5.0%
2003-04	0.53%	0.57%	5.3%
2004-05 estimated outturn	0.55%	0.58%	5.4%
2005-06 plans	0.56%	0.60%	5.5%
2006-07 plans	0.56%	0.64%	5.5%
2007-08 plans	0.56%	0.66%	5.6%

* including recurrent and capital grants, and public fee contributions.
** Total expenditure on services
For this estimate, public fee contributions have been held constant in cash terms in 2006-7 and 2007-8 at 2005-6 level.
Source: annual government grant letters to HEFCE; percentage calculations by UCU, using HMT data @ 23.12.05. Education data: HM Treasury, Public Expenditure Statistical Analyses 2005, table 3.4; 2004 Spending Review, table 7.2.

Spending per student, England

In the period 1997-8 to 2007-8 the number of full-time equivalent students funded by the Higher Education Funding Council for England grew by 22%. These students comprised full-time and part-time undergraduates and postgraduates domiciled in the UK and in other European Union countries studying at HE institutions and further education colleges.

During this period, the recurrent grant for teaching distributed by HEFCE to HEIs and FECs, and public contributions to tuition fees, grew by 54% in cash terms from £3.4bn to £5.2bn, or 22% in real terms. Over the period, the unit of public teaching expenditure per student in England stayed constant in real terms.

In 1998, the Labour government introduced private contributions to tuition fees by full-time undergraduates, which were increased in 2006 by the introduction

of variable top-up fees. If student fee contributions and variable top-up fees (minus the related costs of outreach and administration, and top-up income due to be spent on infrastructure) are added to recurrent funding for teaching and public tuition payments, then teaching funding over the period grew by 76% in cash terms and 40% in real terms; the unit of resource per FTE student grew by 46% in cash terms and 15% in real terms.

In summary, since 1997, the unit of public spending on teaching per FTE student has been maintained in real terms; the unit of public spending on teaching per FTE student plus private fee contributions has grown by 15% above inflation over the period – an annual increase of 1.5% above inflation over the period 1997-8 to 2007-8.

Recurrent HE funding per student, England (public fees only)

			Expenditure		Unit of resource	
	Students funded through HEFCE		recurrent grant for teaching & public fees	recurrent grant for teaching & public fees	recurrent grant for teaching & public fees	recurrent grant for teaching & public fees
England	FTEs million	Notes	cash £m	RT £m	unit cash £	unit RT £
1997-98	0.952		3384	3384	3555	3555
1998-99	0.959		3722	3628	3881	3783
1999-00	0.985		3485	3331	3538	3382
2000-01	1.007		3537	3337	3512	3314
2001-02	1.028		3640	3352	3541	3260
2002-03	1.041		3715	3315	3569	3185
2003-04	1.056		3818	3320	3616	3144
2004-05	1.056		4241	3610	4016	3419
2005-06	1.117		4385	3646	3926	3264
2006-07	1.140	public fees as per 2005-6	4643	3768	4073	3305
2007-08	1.161	public fees as per 2005-6	5207	4117	4485	3546
1997-8 to 2007-8 change %	22.0%		53.9%	21.6%	26.2%	-0.3%

Recurrent grant for teaching data 2005-6 to 2007-8: December 2004 DfES grant letter (financial years); previous data from HEFCE allocations circulars, final amounts (academic year); HEFCE data includes funding for HE in FE. Student numbers are a full-time equivalent for full-time and part-time undergraduate and postgraduate students funded by HEFCE ie domiciles of UK and other EU countries, as given in the annual grant letters. Percentage and real terms calculations by UCU, using HMT GDP deflator @ 23.12.05. RT = real terms.

Recurrent HE funding per student, England (public & private fees)

	Expenditure		Unit of resource	
	recurrent grant for teaching & all fees	recurrent grant for teaching & all fees	recurrent grant for teaching & all fees	recurrent grant for teaching & all fees
England	cash £m	RT £m	Unit cash £	Unit RT £
1997-98	3384	3384	3555	3555
1998-99	3852	3755	4017	3915
1999-00	3728	3564	3785	3618
2000-01	3839	3622	3812	3597
2001-02	3995	3679	3886	3578
2002-03	4121	3678	3959	3533
2003-04	4233	3680	4009	3485
2004-05	4686	3989	4438	3778
2005-06	4893	4069	4380	3643
2006-07	5302	4303	4651	3775
2007-08	6006	4748	5173	4090
1997-8 to 2007-8 change %	77.5%	40.3%	45.5%	15.1%

Recurrent grant for teaching data 2005-6 to 2007-8: December 2004 DfES grant letter (financial years); previous data from HEFCE allocations circulars, final amounts (academic year); HEFCE data includes funding for HE in FE. Private fee contributions: basic student contribution as per grant letters; additional income from variable top-up fees provided by OFFA, with one-third of additional income subtracted to cover outreach and administration costs. Student numbers are a full-time equivalent, as given in the annual grant letters. Percentage and real terms calculations by UCU, using HMT GDP deflator @ 23.12.05. RT = real terms.

Comment

The level of recurrent public spending on higher education in England has risen little above inflation, and remained fairly constant as a proportion of GDP. In terms of recurrent public spending on teaching per student (excluding student contributions to tuition fees), the unit of resource has remained steady in real terms since 1997-8.

The introduction in 1998 of flatrate fees payable by undergraduates, and then variable top-up fees in 2006, has enabled expenditure on higher education to grow significantly, and the unit of resource to rise in real terms. Our policy has consistently been that undergraduates should not have to pay for higher education. If UK public expenditure on higher education as a proportion of GDP increased to the OECD country mean, at 1.1% of GDP, it is unlikely that undergraduate fee contributions would be necessary.

Over the next decade, it is of paramount importance that government contributions to tuition costs are increased in real terms, and not cut in proportion to income from variable top-up fees.

We welcome the sharp increase in capital funding for higher education in England over the period.

4 Public spending on higher education in Wales

Grant and fees

Recurrent funding for teaching and research in higher education in Wales over the period 1997-8 to 2007-8 has risen by 70%. Total recurrent grant for teaching and research, and capital items, has risen by 78%.

Recurrent and capital grant, Wales

	Recurrent grant	Recurrent grant	Capital grants*	Recurrent grant & capital	Recurrent grant & capital
Wales	**cash £m**	**% change**	**cash £m**	**cash £m**	**% change**
1997-98	237			237	
1998-99	232	-1.9%		232	-1.9%
1999-00	263	13.4%	5.362	269	15.7%
2000-01	277	5.4%	15.162	293	8.9%
2001-02	303	9.0%	25.762	328	12.2%
2002-03	307	1.4%	20.762	327	-0.3%
2003-04	318	3.8%	19.546	338	3.2%
2004-05	331	3.8%	18.396	349	3.3%
2005-06	362	9.6%	22.396	385	10.3%
2006-7	397	9.5%	18.396	415	7.9%
2007-8	402	1.4%	18.396	421	1.3%
1997-8 to 2007-8 Change %	69.9%			77.6%	

* capital items were not separately identified in 1997-8 and 1998-9.
Source: annual grant letters; National Assembly for Wales Budget 2005-6 to 2007-8 draft proposals October 2004 and 2005, plus additional funding announced November 2005. Calculations by UCU.

Over the period 1997-8 to 2004-5, total fee payments in Wales reduced from £65m a year to £63m in cash terms, despite the introduction in 1998-9 of private fee contributions by full-time undergraduates. Data on fee income from 2005-6 were not publicly available at the time of writing.

Tuition fees, Wales

	Public fees	Private fees	Total fees	Total fees
Wales	**cash £m**	**cash £m**	**cash £m**	**change %**
1997-98	65		64.9	
1998-99	67	8	75.6	16.5%
1999-00	37	16	53.7	-29.0%
2000-01	35	21	55.9	4.1%
2001-02	34	24	57.6	3.0%
2002-03	34	26	59.3	3.0%
2003-04	34	27	61	2.9%
2004-05	34.6	28.1	62.7	2.8%

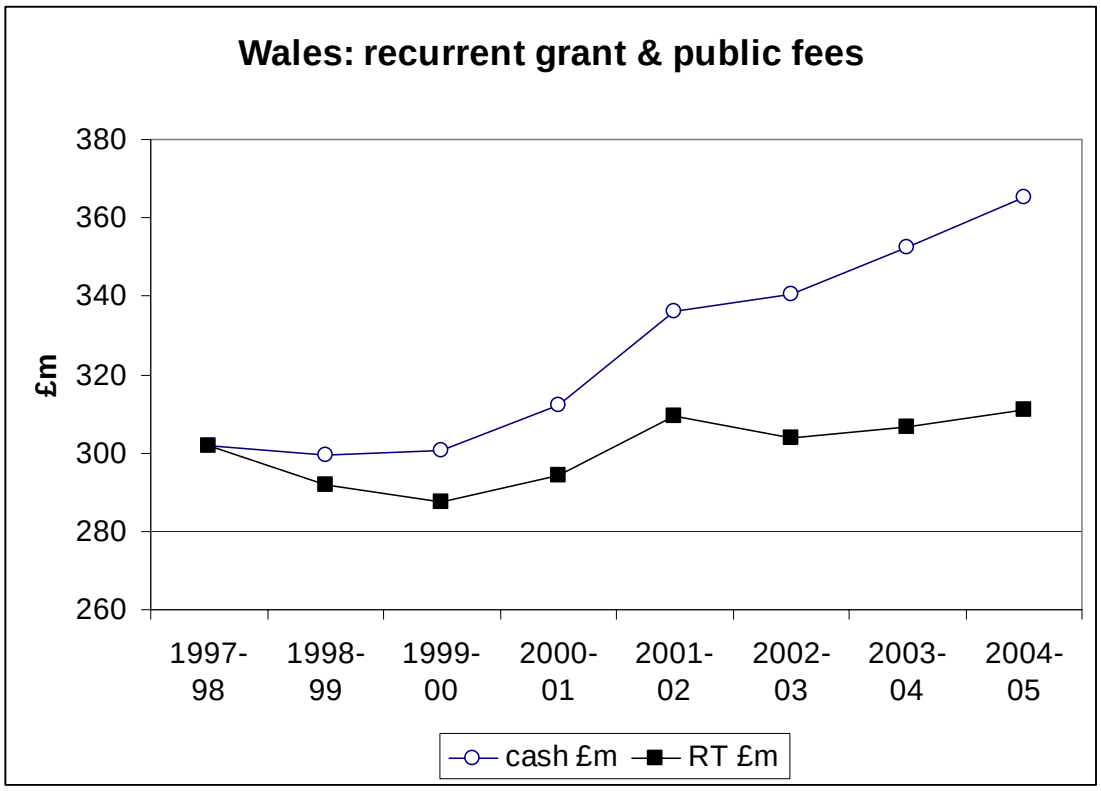
Source: annual grant letters. Calculations by UCU.

If private fee contributions are taken out of the equation, then recurrent government funding from grant and fees for higher education in Wales in 1997-8 to 2004-5 increased by only 3% above inflation.

Grant and fees: cash and real terms, Wales

	Recurrent grant & public fees	Recurrent grant & public fees
Wales	**cash £m**	**Real terms £m**
1997-98	302	302
1998-99	300	292
1999-00	301	287
2000-01	312	294
2001-02	336	310
2002-03	340	304
2003-04	353	307
2004-05	365	311
1997-8 to 2004-5 Change %	21.0%	3.0%

Source: annual grant letters; calculations by UCU, using HMT GDP deflator @ 23.12.05.



Source: annual grant letters; calculations by UCU, using HMT GDP deflator @ 23.12.05.

Top-up fees

What difference will top-up, or flexible, fees make in Wales when they are introduced in 2007-8? In Wales, total grant and fees – including top-up fees from 2007-8 - are estimated to increase by 7.1% in 2006-7, by 9.1% in 2007-8 and by 6.3% in 2008-9. Between 2005-6 and 2008-9, total grant and fees – including top-up fees - are estimated to rise by 22.5%, a rise of £132m over the three-year period. It should be noted that for 2008-9 the National Assembly is planning a 2.5% cut in grant to the Higher Education Funding Council for Wales.

HE funding council grant and academic fees, Wales

	2003-4	2004-5	2005-06	2006-07	2005-6 to
	£000s	£000s	£000s	£000s	2006-7
	Outturn	Outturn/ estimate	Forecast/ plan	Forecast/ plan	% change
1. Funding council grant			362,477	396,772	9.5%
2. Academic fees and support grants	174,668	178,388	182,634	187,127	2.5%
Top-up fees*					
Total grant and fees			545,111	583,899	7.1%

	2007-08	2006-7 to	2008-09	2007-8 to	2005-6 to 2008-9
	£000s	2007-8	£000s	2008-9	cumulative
	Forecast/ plan	% change	Forecast/ plan	% change	% change
1. Funding council grant	402,199	1.4%	392,196	-2.5%	8.3%
2. Academic fees and support grants	192,104	2.7%	197,291	2.7%	7.8%
Top-up fees*	42,507		87,309	105.4%	105.4%
Total grant and fees	636,810	9.1%	676,796	6.3%	22.5%

* Provisional figures awaiting further analysis

Notes

1. Higher level learning incl. HEFCW grant	Source: NAW Draft Budget Proposals Oct 2005, plus additional funding announced November 2005
2. Academic fees and support grants	Source: HESA 2003/04 Resources of Higher Education Institutions, uprated by HMT GDP deflator @ 23.12.05
Estimated top-up fee income	UCU estimates based on 2003-4 HESA data: 23,615 full-time 1st-year u/grads UK & other EU domicile x £1,800 in 2007-8, then x2 in 2008-9

Funding per student in Wales

There are different ways of looking at the level of funding provided for each full-time equivalent student – the unit of resource. The information presented here looks at recurrent grant from the UK and then Welsh Assembly governments to the Higher Education Funding Council for Wales, and fees. Calculations of the unit of resource do not normally include capital spending.

The first two columns only consider recurrent grant and tuition fee contributions from the government to 2004-5 (data on fees and student numbers are not publicly available after 2004-5). Between 1997-8 and 2004-5 the unit rose by 6.5% in cash terms, which meant a 9.3% cut in real terms.

The third and fourth columns look at recurrent grant plus public and private fee contributions. Over the same period the unit rose by 14.7% in cash terms, and fell by 2.4% in real terms.

In conclusion, despite the additional income from student fee contributions, the unit of resource in Wales fell in real terms in the period 1997-8 to 2004-5.

Recurrent funding per student, Wales

	Recurrent grant & public fees	Recurrent grant & public fees	Recurrent grant & all fees	Recurrent grant & all fees
	unit £ cash	unit £ real terms	unit £ cash	unit £ real terms
1996-97	4420		4420	
1997-98	4634	4634	4634	4634
1998-99	4445	4332	4568	4452
1999-00	4416	4221	4656	4450
2000-01	4446	4195	4749	4481
2001-02	4643	4275	4975	4581
2002-03	4658	4157	5007	4468
2003-04	4796	4170	5161	4487
2004-05	4935	4201	5315	4524
1997-8 to 2004-5 % change	6.5%	-9.3%	14.7%	-2.4%

Source: annual grant letters; calculations by UCU, using HMT GDP deflator @ 23.12.05.

Welsh higher education funding as a proportion of GDP

Recurrent and capital grants for higher education in Wales, plus public and private tuition fee payments, have fluctuated since 1997-8 as a proportion of UK GDP, with the level at 2004-5 lower than in 1997-8.

5 Public spending on higher education in Scotland

Grant

Recurrent grant for teaching and research, and for capital spending, in higher education in Scotland over the period 1997-8 to 2007-8, has increased by 87% in cash terms, and by 48% above the rate of inflation – a period of growth following many years of cuts under the Conservative government.

Recurrent and capital grant, Scotland

	Recurrent & capital grant		Recurrent & capital grant
	cash £m	% change	Real terms £m
1997-98	549		549
1998-99	528	-3.8%	515
1999-00	588	11.4%	562
2000-01	609	3.6%	575
2001-02	660	8.2%	607
2002-03	676	2.5%	603
2003-04	712	5.3%	619
2004-05	787	10.5%	670
2005-06	853	8.4%	709
2006-7	958	12.3%	777
2007-8	1028	7.3%	813
1997-8 to 2007-8 % change	87.2%		48.0%

Source: Scottish Office and Scottish Executive grant letters; Scottish Executive 'Making a difference for Scotland' pp 12-13, 2000; Scottish Executive: 'Building a Better Scotland', October 2004. Percentage and real terms calculations by UCU, using HMT data @ 23.12.05.

Fees

Over the period 1997-8 to 2007-8, public tuition fee payments in Scotland increased by 52% in cash terms, or 20% above inflation. Upfront tuition fee payments were made by students in Scotland in 1998-9 and 1999-00, but abolished from 2000. Scottish graduates are eligible to make a one-off contribution towards the cost of their higher education, which can be added to the student loan or paid immediately after graduation. The money from this graduate endowment are used to fund bursaries for new students from low income backgrounds.

In 2005 the Scottish Executive announced that it intended to raise full-time undergraduate tuition fees in Scotland in 2006 from £1,200 to £1,700. Eligible Scottish domiciled students, and EU students (excluding rest of UK), will have their fees paid for them by the Student Awards Agency for Scotland; at the same time, fees for medical students will rise to £2,700. At the time of writing the Scottish Executive is committed to using additional fee income to support Scottish students studying in England.

Public tuition fee payments, Scotland

	Fees*
Scotland	**cash £m**
1997-98	121
1998-99	180**
1999-00	139
2000-01	152
2001-02	158
2002-03	162
2003-04	167
2004-05	172
2005-06	176
2006-7	180
2007-8	184
1997-8 to 2007-8 % change	52.1%

* Public contributions only, with the exception of £15m in 1998-9 and £26m in 1999-00, when flatrate fees were paid by full-time undergraduates. More recent fee figures have been AUT estimates.
** Tuition fees were higher in 1998-9 because of changes in the phasing of fee payments.
Source: Scottish Office and Scottish Executive grant letters, Scottish Executive 'Making a difference for Scotland' pp 12-13, 2000; Scottish Executive: 'Building a Better Scotland', October 2004.

Grant and fees

Total public grants (including capital) and fees in Scotland rose by 81% in cash terms and 43% in real terms over the 1997-8 to 2007-8 period.

All grant & fees, Scotland

	All grants & fees		All grants & fees
	Cash £m	**Annual change %**	**Real terms £m**
1997-98	670		670
1998-99	708	5.7%	690
1999-00	727	2.7%	695
2000-01	761	4.7%	718
2001-02	818	7.5%	753
2002-03	838	2.4%	748
2003-04	879	4.9%	764
2004-05	959	9.1%	816
2005-06	1029	7.3%	856
2006-7	1138	10.6%	924
2007-8	1212	6.5%	958
1997-8 to 2007-8 % change	80.90%		43.00%

Source: Scottish Office and Scottish Executive grant letters, Scottish Executive 'Making a difference for Scotland' pp 12-13, 2000; Scottish Executive: 'Building a Better Scotland', October 2004.
Percentage and real terms calculations by UCU, using HMT data @ 23.12.05.

Spending per student

Information on public spending per student in Scotland has not been included because in recent years public grant figures have not disaggregated capital funding from recurrent spending data, making it difficult to calculate recurrent public spending per student.

Scottish funding as a proportion of UK GDP

Recurrent and capital grants, and public tuition payments, have risen in Scotland between 1997-8 and 2007-8 as a proportion of UK GDP, from 0.081% to 0.089%.

Scottish funding as a proportion of UK GDP

	All grants & fees	All grants & fees
	cash £m	% GDP
1997-98	670	0.081%
1998-99	708	0.081%
1999-00	727	0.079%
2000-01	761	0.079%
2001-02	818	0.081%
2002-03	838	0.079%
2003-04	879	0.078%
2004-05	959	0.081%
2005-06	1029	0.084%
2006-7	1138	0.088%
2007-8	1212	0.089%

Source: Scottish Office and Scottish Executive grant letters, Scottish Executive 'Making a difference for Scotland' pp 12-13, 2000; Scottish Executive: 'Building a Better Scotland', October 2004. GDP calculations by UCU, using HMT data @ 23.12.05.

Comment

Scotland has taken a policy decision to invest in HE to support the priority of growing a knowledge economy, by decreasing funding for the Enterprise networks. The real terms increases in public spending on higher education in Scotland over the past decade have been impressive. This has been achieved without students having to pay tuition fees – apart from the single graduate contribution, and the two years for which Scottish undergraduates paid upfront tuition fees.

We strongly urge other countries in the UK to look to the distinctive approach to higher education in Scotland, particularly Scottish funding priorities, and enabling students from all backgrounds to study without fear of racking up high levels of debt.

6 Public spending on higher education in Northern Ireland

In Northern Ireland, total grant and fees – including top-up fees from 2006 - are estimated to increase by 9.6% in 2006-7, by 9.0% in 2007-8 and by 8.3% in 2008-9. Grant estimates are based on known levels of grant in 2003-4, uprated from then by the GDP deflator (this rate of increase is lower than for the grant and fee allocations for Queen's University Belfast and the University of Ulster for 2006-7 – see table below). Between 2005-6 and 2008-9, total grant and fees – including top-up fees - are estimated to rise by 26.8% in Northern Ireland, a rise of £72m over the three-year period. Because the amounts shown below are estimates rather than government funding plans to 2007-8 (not available at the time of writing), figures for unit of resource and spending as a proportion of GDP have not been attempted.

Grant and fees, Northern Ireland [26]

	2003-4	2004-5	2005-06	2006-07	2005-6 to
	£000s	£000s	£000s	£000s	2006-7
Northern Ireland	Outturn	Outturn/ Estimate	Forecast/ plan	Forecast/ plan	% change
1. Government grants	171,702	175,359	179,533	183,949	2.5%
2. Academic fees and support grants	62,704	64,040	65,564	67,177	2.5%
Top-up fees*				17,397	
Total grant and fees			245,097	268,523	9.6%

* Provisional figures awaiting further analysis

	2007-08	2006-7 to	2008-09	2007-8 to	2005-6 to 2008-9
	£000s	2007-8	£000s	2008-9	cumulative
Northern Ireland	Forecast/ plan	% change	Forecast/ plan	% change	% change
1. Government grants	188,842	2.7%	193,941	2.7%	8.0%
2. Academic fees and support grants	68,964	2.7%	70,826	2.7%	8.0%
Top-up fees*	34,794	100.0%	52,191	50.0%	150.0%
Total grant and fees	292,600	9.0%	316,958	8.3%	29.3%

* Provisional figures awaiting further analysis

Notes

Northern Ireland	
1. Government grants	Source: HESA 2003/04 Resources, uprated by HMT GDP deflator @ 23.12.05
2. Academic fees and support grants	Source: HESA 2003/04 Resources, uprated by HMT GDP deflator @ 23.12.05
Estimated top-up fee income from 2006	AUT estimates based on 2003-4 HESA data: 10,265 full-time 1st-year u/grads UK & other EU domicile x £1,800 in 2006-7, then x2 in 2007-8 and x3 in 2008-9

The table below indicates that recurrent grant and public tuition fee funding for Queen's University Belfast will rise by 5.7% in 2006-7 and by 3.8% for the University of Ulster. These rates of increase do not include income from top-up fees, which begin in 2006-7 in Northern Ireland.

Grant and fee allocations for Queen's University Belfast and the University of Ulster 2006-7

	Queen's University Belfast	University of Ulster	Total
Recurrent funding for teaching and research from DELNI 2005-06	87,183,953	78,307,780	165,491,733
2005-06 Adjustments to mainstream teaching grant	-45,408	-19,380	-64,788
2006-07 Adjustments to mainstream teaching grant	123,736	0	123,736
2006-07 Additional funded places	917,034	350,938	1,267,972
2005-06 Adjustments to research grant	0	0	0
2005-06 Regulated fee income	12,668,365	14,788,380	27,456,745
2005-06 Total adjusted resource	100,847,680	93,427,718	194,275,398
2006-07 Total resource	105,646,903	96,598,481	202,245,384
Percentage change adjusted for volume	4.76%	3.39%	4.10%
Percentage change in total resource	5.72%	3.78%	4.79%

DELNI: Department for Employment and Learning (Northern Ireland)
Source: DELNI QUB grant tables, April 2006

7 Public spending on higher education in the UK

Changes in public spending

Between 1997-8 and 2007-8 public expenditure – recurrent and capital – on higher education in the UK grew from £4,737m to £9,550m, a cash increase of 102% and a real terms increase of 59%.

Public spending on higher education 1997-2008, UK

	Total expenditure on services: higher education		Total expenditure on services: higher education	
	Cash	Change	Real terms	Change
Financial year	£m	%	£m	%
1997-98	4737		4737	
1998-99	4813	1.6%	4691	-1.0%
1999-00	5421	12.6%	5182	10.5%
2000-01	5801	7.0%	5474	5.6%
2001-02	6279	8.2%	5782	5.6%
2002-03	6651	5.9%	5936	2.7%
2003-4	7088	6.6%	6162	3.8%
2004-5 est	7702	8.7%	6557	6.4%
2005-6 plans	8068	4.8%	6701	2.2%
2006-7 plans	9174	13.7%	7419	10.7%
2007-8 plans	9550	4.1%	7520	1.4%
1997-2008 % change	101.6%		58.8%	

Source: HM Treasury, Public Expenditure Statistical Analyses (series): Total Expenditure on Services to 2004-5 (table 3.6); Central government own expenditure on services from 2005-6 (table 4.5). Percentage and real terms calculations by UCU (GDP deflator: 2004-5=100, HMT @ 28.9.05).

Student support in the UK

Between 1997-8 and 2007-8 public spending on student support decreased from £2,614m to £2,490m, a cash reduction of 4.7% and a real terms reduction of 25%. Over the period, with the abolition of the maintenance grant, student support fell in cash terms until 2003-4, then with the reintroduction of grants in England, spending in this area has picked up. By 2008, spending on student support will almost be back to 1997-8 levels in cash terms.

Spending on student support in HE 1997-2008, UK

	Total expenditure on services: student support		Total expenditure on services: student support	
Financial year	**Cash**	**Change**	**Real terms**	**Change**
	£m	**%**	**£m**	**%**
1997-98	2614		2614	
1998-99	2507	-4.1%	2444	-6.5%
1999-00	1978	-21.1%	1891	-22.6%
2000-01	1799	-9.0%	1697	-10.2%
2001-02	1509	-16.1%	1389	-18.1%
2002-03	1209	-19.9%	1079	-22.3%
2003-4	1155	-4.5%	1004	-6.9%
2004-5 est	1838	59.1%	1565	55.8%
2005-6 plans	2071	12.7%	1720	9.9%
2006-7 plans	2416	16.7%	1954	13.6%
2007-8 plans	2490	3.1%	1961	0.4%
1997-2008 % change	-4.7%		-25.0%	

Source: HM Treasury, Public Expenditure Statistical Analyses (series): Total Expenditure on Services to 2004-5 (table 3.6); Central government own expenditure on services from 2005-6 (table 4.5). Percentage and real terms calculations by AUT (GDP deflator: 2004-5=100, HMT @ 28.9.05).

Spending on higher education and student support

Total spending on higher education and student support in the UK rose in cash terms from £7,351m in 1997-8 to £12,040m in 2007-8, a cash increase of 64% and a real terms increase of 29%. However, it was not until 2004-5 that spending rose in real terms beyond the amount in the base year of 1997-8.

Spending on HE and student support 1997-2008, UK

	Total expenditure on HE & student support		Total expenditure on HE & student support	Total expenditure on HE & student support
Financial year	**Cash**	**Change**	**Real terms**	**Change**
	£m	**%**	**£m**	**%**
1997-98	7351		7351	
1998-99	7320	-0.4%	7135	-2.9%
1999-00	7399	1.1%	7073	-0.9%
2000-01	7600	2.7%	7171	1.4%
2001-02	7788	2.5%	7171	0.0%
2002-03	7860	0.9%	7015	-2.2%
2003-4	8243	4.9%	7166	2.2%
2004-5 est	9540	15.7%	8122	13.3%
2005-6 plans	10139	6.3%	8421	3.7%
2006-7 plans	11590	14.3%	9373	11.3%
2007-8 plans	12040	3.9%	9481	1.2%
1997-2008 % change	63.8%		29.0%	

Source: HM Treasury, Public Expenditure Statistical Analyses (series): Total Expenditure on Services to 2004-5 (table 3.6); Central government own expenditure on services from 2005-6 (table 4.5). Percentage and real terms calculations by AUT (GDP deflator: 2004-5=100, HMT @ 28.9.05).

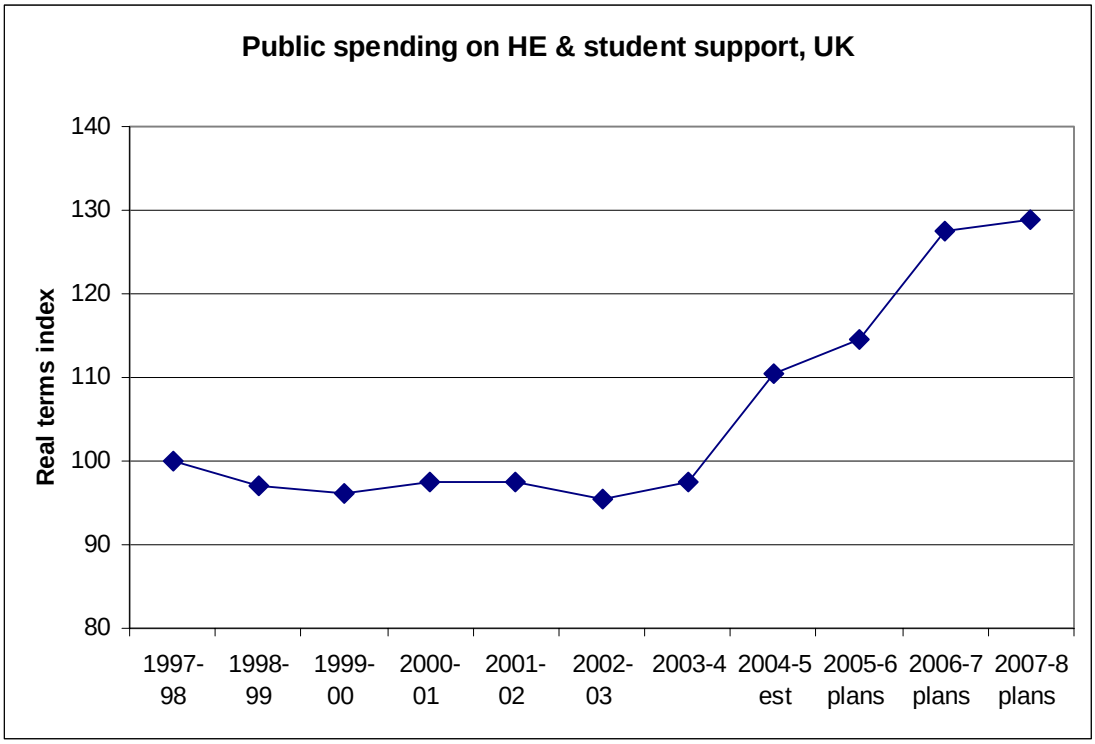
Increases in public spending

Although the government has made much of the increases it has made to public spending on education, it is worth noting that it was not until 2004-5 that spending in real terms exceeded the level in 1997-8, when the Labour government came to power.

UK spending on HE and student support, real terms

Total public expenditure on HE & student support	Real terms index
1997-98	100.0
1998-99	97.1
1999-00	96.2
2000-01	97.6
2001-02	97.6
2002-03	95.4
2003-4	97.5
2004-5 est	110.5
2005-6 plans	114.6
2006-7 plans	127.5
2007-8 plans	129.0

Source: HM Treasury, Public Expenditure Statistical Analyses (series): Total Expenditure on Services to 2004-5 (table 3.6); Central government own expenditure on services from 2005-6 (table 4.5). Percentage and real terms calculations by UCU (GDP deflator: 2004-5=100, HMT @ 28.9.05).



Source: HM Treasury, Public Expenditure Statistical Analyses (series): Total Expenditure on Services to 2004-5 (table 3.6); Central government own expenditure on services from 2005-6 (table 4.5). Percentage and real terms calculations by UCU (GDP deflator: 2004-5=100, HMT @ 28.9.05).

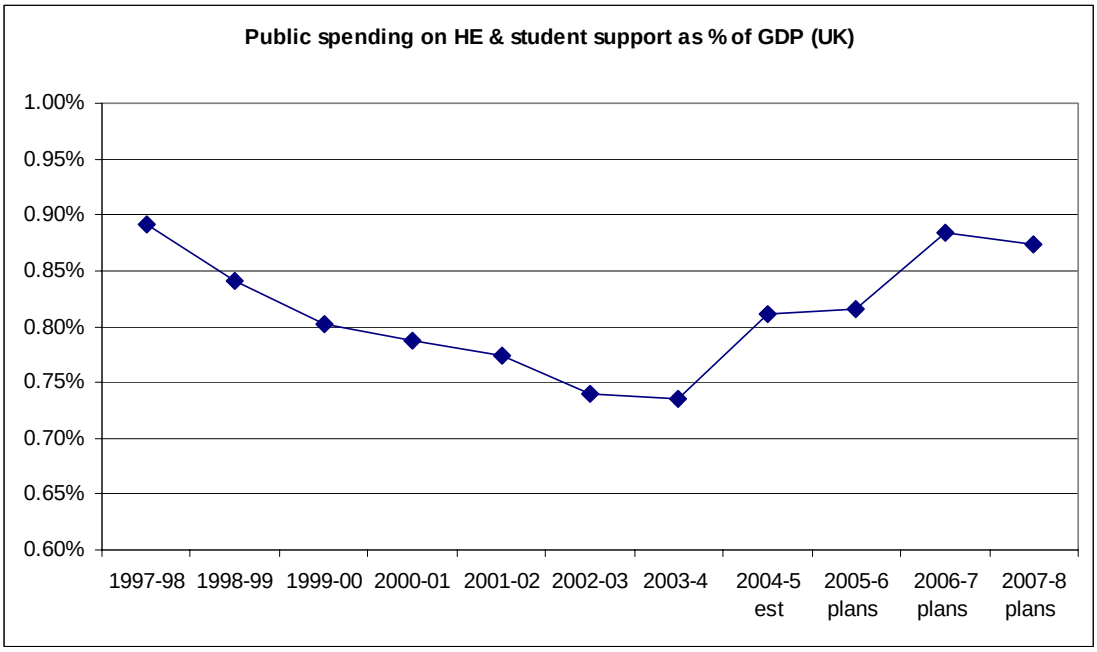
Spending on higher education as a proportion of GDP, UK

Although spending on higher education and student support in the UK has risen in real terms from 2004-5, this spending is still below the proportion of GDP spent on higher education and student support in 1997-8.

UK spending on HE and student support as % of GDP

	Total public expenditure on HE & student support
Year	**% of GDP**
1997-98	0.89%
1998-99	0.84%
1999-00	0.80%
2000-01	0.79%
2001-02	0.77%
2002-03	0.74%
2003-4	0.74%
2004-5 est	0.81%
2005-6 plans	0.82%
2006-7 plans	0.88%
2007-8 plans	0.87%

Source: HM Treasury, Public Expenditure Statistical Analyses (series): Total Expenditure on Services to 2004-5 (table 3.6); Central government own expenditure on services from 2005-6 (table 4.5). Percentage calculations by UCU (GDP: HMT @ 28.9.05).



Source: HM Treasury, Public Expenditure Statistical Analyses (series): Total Expenditure on Services to 2004-5 (table 3.6); Central government own expenditure on services from 2005-6 (table 4.5). Percentage calculations by UCU (GDP: HMT @ 28.9.05).

Comment

We welcome the increases in public spending on higher education in the UK above the rate of inflation since 1999. We welcome the reinstatement of maintenance awards for students. To offset the growing debt burden faced by students since the introduction of upfront and variable tuition fees for full-time undergraduates, we call for higher levels of support for undergraduate students.

We are concerned that spending on higher education and student support as a proportion of UK GDP has still not returned to its 1997-8 level. We call on the government over the next decade to increase public spending on higher education to the level of the average in OECD countries.

The announcements in autumn 2005 of some additional funding for part-time student support, and for funding for part-time provision in institutions, was a welcome recognition that this group of students was forgotten in the 2004-5 legislation on fees and student support. However this does not go far enough. Part-time students still get less support than full-time students on a pro-rata basis. At the same time institutional funding is still based on a model of full-time progression through a three-year degree.

Part-time students are fast growing, and form a steadily increasing proportion of the student population. Their numbers will continue to grow – and must grow if the country's education and skill needs are to be met. According to 'The Missing Generation' – a report published by City and Guilds in 2005 – young people's presence in the workforce will shrink from 16% to 11% by 2020. There is an urgent need to address the education and training needs of adults already in the workforce, and this is most likely to be achieved through affordable and accessible part-time higher education.

At the same time the increasing costs of higher education have meant that young students – ostensibly full-time – spend more and more time in paid employment, with documented negative impact on their educational achievements.[27] Institutions are penalised in funding terms if students fail to progress at a pre-determined rate through their studies. Funding needs to be available so that institutions can offer flexible provision, with less rigid boundaries between full and part-time study, costed on a basis that is attractive to part-time and less well-off students yet still sustainable institutionally.

Part-time students of all ages are more likely to be female: offering worse funding support to them is arguably discriminatory.

Part-time students are a good economic investment. HESA figures published in July 2005 show that only 3% of part-time students were unemployed in the year following graduation, compared with 7% of full-time students.

Whilst some part-time students are funded by their employers, significant numbers are not. Institutions will not be able to raise fees for part-time

students in line with those for full-time students given the less generous arrangements for fee and maintenance support. Institutions offering part-time programmes at degree level are largely those in the post-92 part of the sector (with the significant exceptions of the Open University and Birkbeck College). A failure to increase the funding available for part-time students will lead to a differential and inequitable impact on different parts of the sector.

8 International comparison of higher education spending as % of GDP

Public expenditure on higher education institutions in the UK in recent years has been consistently below that of key competitor countries such as France, Germany and the USA, as well as the average for the OECD. However, public spending on institutions as a proportion of GDP by the UK was at approximately twice the level as spending in Japan.

Public expenditure on higher education institutions as % of GDP 1998-2002

	France	Germany	Japan	UK	USA	OECD country mean
	%	%	%	%	%	%
1998	1.01	0.97	0.43	0.83	1.07	1.06
1999	1.0	1.0	0.5	0.8	1.1	1.0
2000	1.0	1.0	0.5	0.7	0.9	1.0
2001	1.0	1.0	0.5	0.8	0.9	1.0
2002	1.0	1.0	0.4	0.8	1.2	1.1

Includes private expenditure on institutions subsidised by public funds.
Source: OECD, Education at a Glance (series, to 2005), table B2.1b (Data for earlier years was not in a directly comparable series).

Comment

We are concerned that UK public expenditure on higher education institutions is consistently below key competitor nations and the OECD average. We call on the government to monitor international comparators with a view to increasing public spending on institutions to the level of the OECD country mean.

9 Research and development

Spending on science

The most dramatic increase in public spending relating, in part at least, to higher education, has been in the government's science budget, which has risen from £1.3bn to £3.5bn since 1997, an increase of 159% in cash terms. Approximately half of the science budget is spent on research undertaken by UK higher education institutions. As part of government spending on research sustainability, the science budget includes £120m for the full economic costing of research in 2005-6, the same amount in 2006-7 and £200m in 2007-8.

Public spending on science 1997-2008, UK

	Science budget	
Year	**£m cash**	**% change**
1997-98	1331	
1998-99	1334	0.2%
1999-00	1394	4.5%
2000-01	1514	8.6%
2001-02	1707	12.7%
2002-03	1947	14.1%
2003-4	2310	18.6%
2004-5 est	2735	18.4%
2005-6 plans	3087	12.9%
2006-7 plans	3235	4.8%
2007-8 plans	3452	6.7%
1997-2008 % change	159.3%	

Source: to 2003-4: http://www.ost.gov.uk/setstats/2/t2_1.htm; to 2007-8 http://www.ost.gov.uk/research/funding/budget05-08/allocations.pdf. Percentage calculations by UCU.

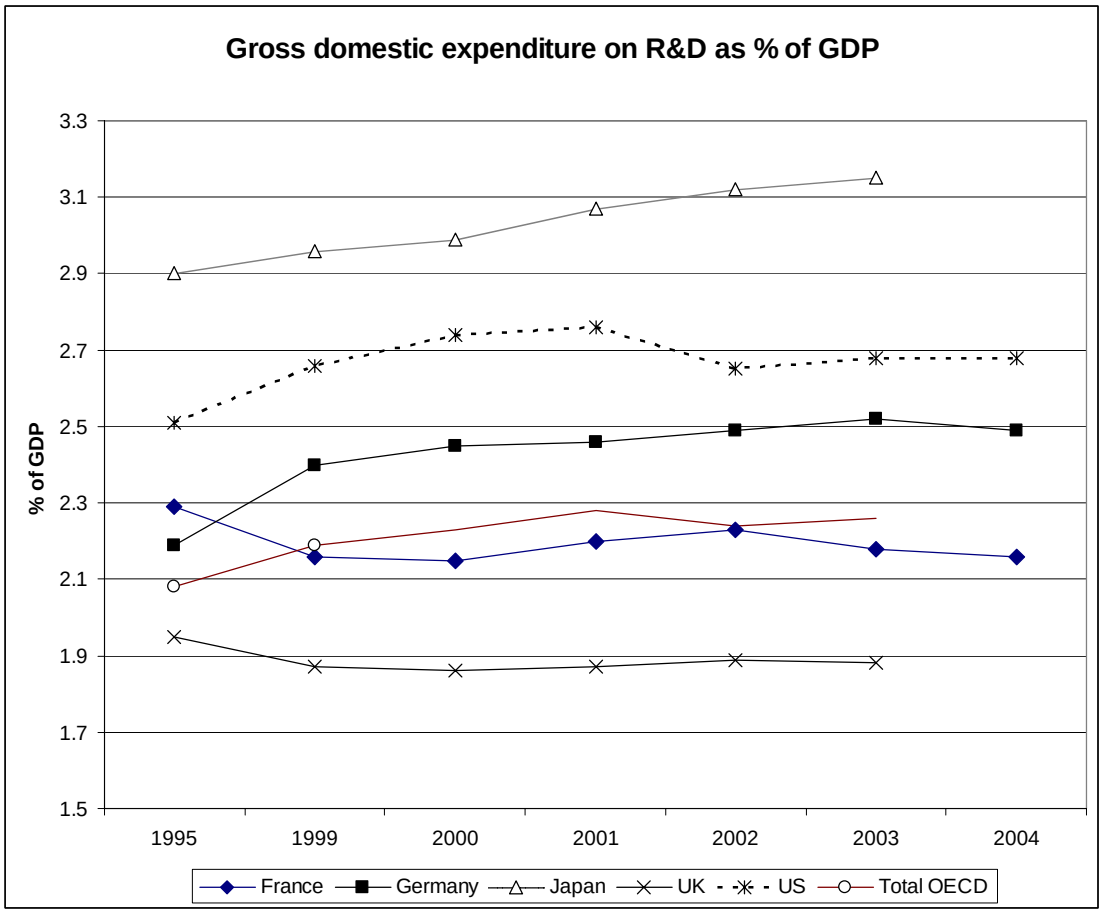
International comparators

However, current UK spending on research and development is well below the level of our main competitor nations. In 2003, gross domestic expenditure on R&D as a percentage of GDP was 1.88% in the UK, compared with France (2.18%), OECD countries overall (2.26%), Germany (2.52%), the US (2.68%) and Japan (3.15%). Ten years ago, the proportion of GDP spent on R&D in the UK was higher than in 2003, whereas spending trends for Germany, Japan and the US have generally been upwards.

Gross domestic expenditure on research and development as % of GDP

	1995	1999	2000	2001	2002	2003	2004
	% of GDP	% of GDP	% of GDP	% of GDP	% of GDP	% of GDP	% of GDP
France	2.29	2.16	2.15	2.20	2.23	2.18	2.16
Germany	2.19	2.40	2.45	2.46	2.49	2.52	2.49
Japan	2.90	2.96	2.99	3.07	3.12	3.15	-
UK	1.95	1.87	1.86	1.87	1.89	1.88	-
US	2.51	2.66	2.74	2.76	2.65	2.68	2.68
Total OECD	2.08	2.19	2.23	2.28	2.24	2.26	-

Source: OECD Main Science & Technology Indicators 2005/2, table 02



Source: OECD Main Science & Technology Indicators 2005/2, table 02

Sources of R&D funding

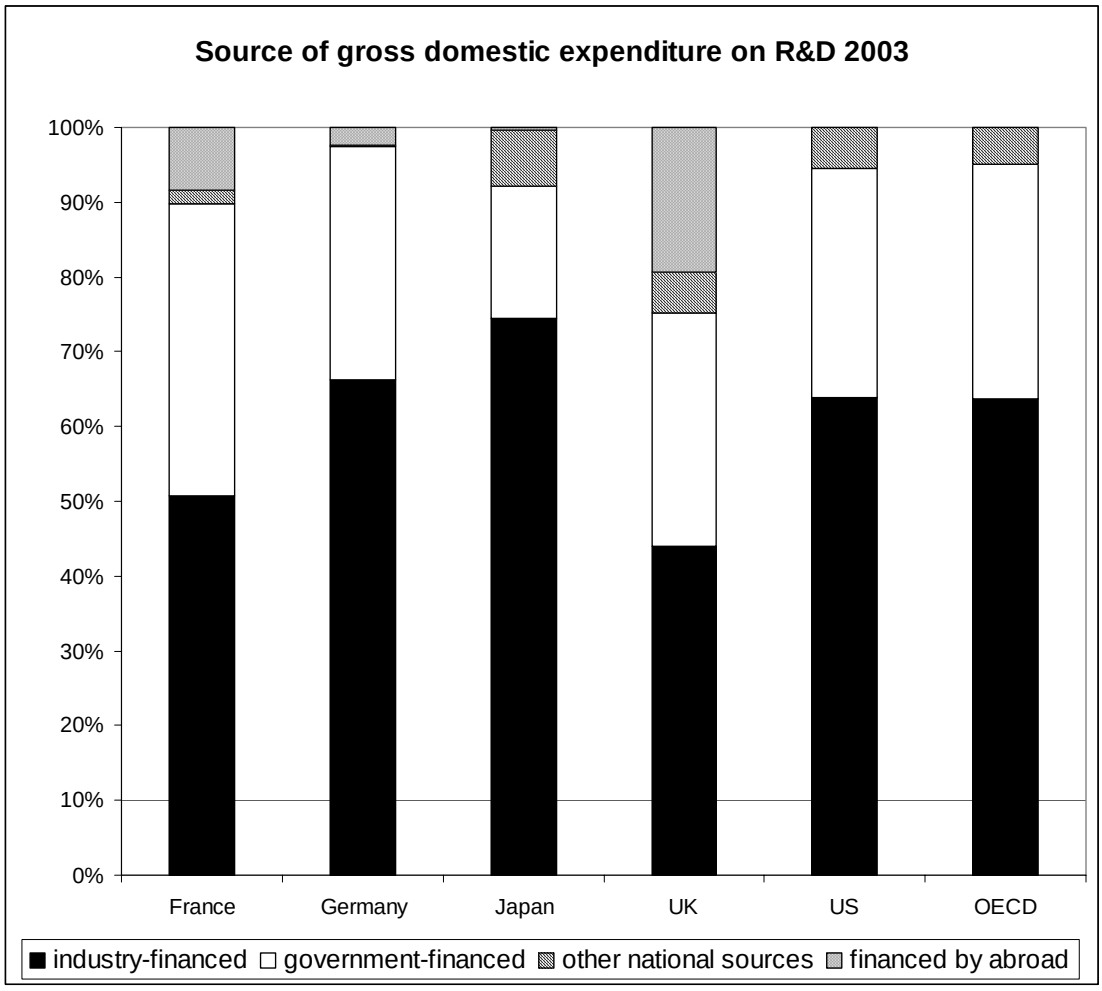
In terms of the sources of spending on R&D, there are major differences between the UK and competitor economies. Half to three-quarters of gross domestic expenditure on R&D in France, Germany, Japan, the US and the OECD as a whole was industry-financed in 2003. In the UK, only 44% of expenditure came from industry. Levels of government spending and spending from other national sources in the UK were relatively similar to the OECD as a whole. By contrast, the proportion of R&D in the UK financed by abroad was nearly 20% in 2003 – much higher than competitors for whom data were available.[28]

Source of gross domestic expenditure on R&D 2003

	France	Germany	Japan	UK	US	OECD
	%	%	%	%	%	%
industry-financed	50.8	66.3	74.5	43.9	63.8	61.8
government-financed	39.0	31.2	17.7	31.3	30.8	30.4
other national sources	1.8	0.3	7.5	5.4	5.4	4.8
financed by abroad	8.4	2.3	0.3	19.4		
Total	100.0	100.1	100.0	100.0	100.0	97.0

OECD Main Science & Technology Indicators 2005/2, tables 13-16

Source of gross domestic expenditure on R&D 2003



OECD Main Science & Technology Indicators 2005/2, tables 13-16; calculations by UCU

Spending on R&D by industry

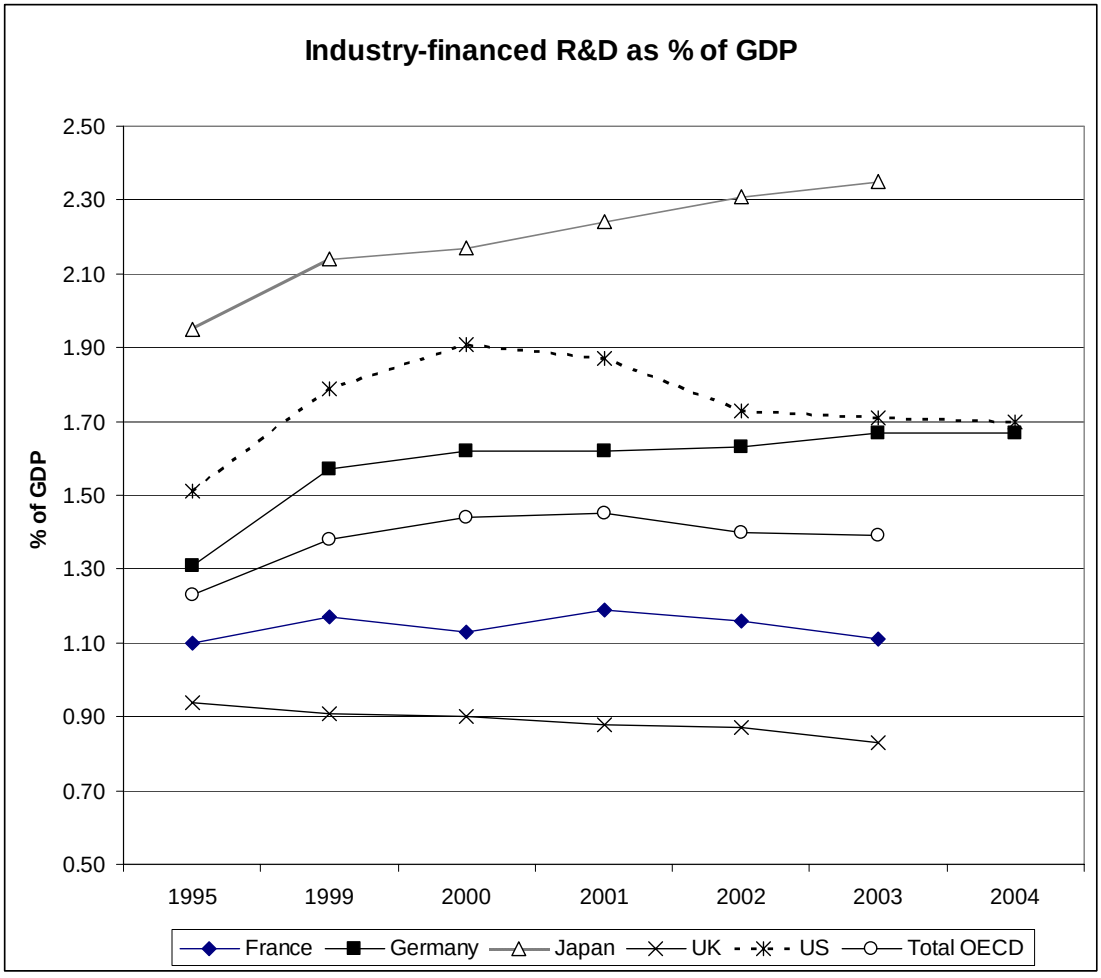
While spending on R&D by industry is generally rising as a proportion of GDP in Germany, Japan, the US and the OECD overall, it is falling in the UK.

Industry-financed gross domestic expenditure on R&D as % GDP

	1995	1999	2000	2001	2002	2003	2004
France	1.10	1.17	1.13	1.19	1.16	1.11	
Germany	1.31	1.57	1.62	1.62	1.63	1.67	1.67
Japan	1.95	2.14	2.17	2.24	2.31	2.35	
UK	0.94	0.91	0.90	0.88	0.87	0.83	
US	1.51	1.79	1.91	1.87	1.73	1.71	1.70
Total OECD	1.23	1.38	1.44	1.45	1.40	1.39	

Source: OECD Main Science & Technology Indicators 2005/2, table 11.

Industry-financed gross domestic expenditure on R&D as % GDP



Source: OECD Main Science & Technology Indicators 2005/2, table 11.

Comment

We welcome the increased level of spending in the science budget, and the government's strategy for science set out in 'Science and innovation investment framework 2004-14', particularly to increase the level of investment in research and development from around 1.9% of GDP in total to

2.5%. We also welcome investment in university-business links and knowledge transfer, and recent tax credits to encourage research and development by companies.

But we cannot afford to stand still. In his 2006 State of the Union address, US President George Bush said: 'We must continue to lead the world in human talent and creativity.' He announced an American Competitiveness Initiative, which included doubling the federal commitment to the most critical basic research programs in the physical sciences over the next 10 years. He said: 'This funding will support the work of America's most creative minds as they explore promising areas such as nanotechnology, supercomputing, and alternative energy sources.' [29]

It is clear from the data in this section that a major weakness in UK expenditure on research and development relates to the relatively small proportion of R&D spending by industry. Although recent Budgets have extended R&D tax credits to businesses, more needs to be done to stimulate business R&D, to promote knowledge transfer and to ensure that there is an adequate supply of trained school, college and university leavers to ensure economic survival and success. We recommend an investigation to determine the impact on the UK economy of the current high levels of R&D spending coming from abroad.

We welcome the government's commitment to supporting the stipend of PhD students in science, but would urge the government to consider increasing the stipend at above the rate of inflation if more home domiciled PhD students in veterinary science, chemistry, physics and mathematics, in particular, are to be attracted into the academic profession. As a step towards building up the UK's future strength in research and development we welcome the government's programme, announced in the 2006 Budget, for the recruitment, retraining, retention and reward of 3,000 science teachers; a new entitlement to study the full range of science subjects at GSCE level; and the funding of after school science clubs starting in 250 schools.

10 Recurrent funding for teaching

Further education

See section 2 for an analysis of recurrent funding for further education.

Higher education

The funding of teaching and student retention/success

There is a consensus that teaching is currently under-funded. While the government has been prepared to make some additional investment in relation to research this has not been the case with respect to teaching. Sir Howard Newby, former Chief Executive of the Higher Education Funding Council for England (HEFCE), told the House of Commons Science and Technology Select Committee in February 2005: 'Until very recently we had …. 20 years of chronic under-funding in higher education, both in teaching and in research. …. the research side has been very vigorously addressed in the last seven years. The teaching side has been stabilised, but I do not think the kind of investment has been put in on the teaching side from government that has been put in on the research side.'

This impacts particularly on institutions with large numbers of less academically prepared students, and students studying part-time, where teaching costs will be high. A report commissioned for HEFCE, 'The costs of widening participation in higher education',[30] found that widening participation cost institutions an additional 31% of the base price per student, as opposed to the funding allocation of 18%.

HEFCE proposals to modify the method for funding teaching may provide welcome transparency and clarity, and may make funding for part-time students, and for so called 'widening participation' students, more equitable in relation to those institutions that recruit large numbers. However they won't increase the overall amounts of funding, and will essentially lead to a process of re-labelling similar amounts of cash.

Instead, the mechanism for improving the funding of teaching is to be additional variable fee income, from 2006 (with the exception of Scotland). Not only does this raise acute concerns about whether public funding will be reduced once variable fee income is on-stream, it also raises the issue of inequity of funding for teaching when the true range of net income to institutions is known (net of bursary and other forms of financial support to students).

It is likely that net income will vary widely across institutions. There is some variation in the maximum fee level sought in England through agreements with the Office for Fair Access (OFFA) – particularly in relation to directly funded further education colleges – but most universities have sought the ability to charge the maximum fee. However, this tells us nothing about actual

fee income: experience from other countries, particularly the US, shows that when institutions are managing recruitment, the maximum fee levels are often - and variously - discounted. Added to the wide variation in levels and likely percentages of income to be paid out in student support, we have a picture of significantly varying levels of net income flowing to institutions.

Commentators from the sector agree that highly variable levels of bursary and scholarship support will impact both on students and institutions. Pam Tatlow, Chief Executive of Campaigning for Mainstream Universities, the organisation that represents post-1992 universities, commenting on the first annual report from OFFA, said: 'The Report confirms that some students will receive ten times more bursary support each year than others with the same family income depending on where they study. This is an inevitable consequence of the market which the Government promoted by its support for variable bursary schemes rather than a national scheme and by ignoring warnings that many universities which were already excellent in widening participation, would inevitably have more students entitled to support. It is a pity that Sir Martin Harris [the Director of OFFA] did not go on to provide the other pieces of the jigsaw and outline the differential consequences in terms of income for universities as well as for students and the administrative costs to the sector and to individual HEIs of variable bursaries - money which could have been spent on staff resources and the student experience.'

In October 2005 the president of Universities UK, Drummond Bone, a vice chancellor from the Russell Group (the organisation representing research-intensive pre-1992 universities), told the House of Commons Education and Skills Committee that the new system of student bursaries was not equitable and that a national bursary scheme would be worth looking at, although this was 'not on the menu at the moment'.

HEFCE flags up this issue in its review of the funding of teaching, recognising that there will be differential impact of top-up fees: 'In the period to 2009 we do not envisage the new fee regime resulting in large scale, sector-wide change. For some institutions, however, in both the higher and further education sectors, there may well be significant implications.'[31]

The HEFCE review goes on to state the need to ensure that the funding method supports strategic priorities – which most fundamentally include the provision of high standards of teaching, appropriate teaching capacity, and enabling teaching to respond to the needs of a more diverse student body. However the scope for recognising the different circumstance of different institutions is limited.

Comment

We need funding that ensures that:

- Income generated by student contribution is additional and is not used to replace public funds;

- The costs of offering financial support to poorer students are shared by the sector as a whole, via the introduction of a national bursary system;

- Funding is made available to safeguard and enhance teaching capacity and quality on an equitable basis at institutions across the sector, taking into account the actual and differential impact of variable fees charged (rather than headline fees) post 2006;

- The additional costs of widening participation in relation to student retention and student success – the need for responsive methods of teaching and supporting learning, supporting part-time and work-based students, and providing individual tutorial and pastoral support – are met through additional funding rather than methodological devices to re-label existing allocations;

- Additional funding must be directed towards improving the student experience, and supporting staff.

11 Recurrent funding for research in UK higher education

There have been striking increases in public spending on recurrent funding for research. In 1997-8, higher education institutions in England were allocated £704m in recurrent funding for research.[32] By 2006-7, that amount had grown to £1,342m[33] - an increase of 90.6% in nine years. HEIs in Wales were allocated £41.3m in recurrent funding for research[34]; by 2006-7, that had grown to £65.0m – an increase of 57.4%.[35] HEIs in Scotland were allocated £106m in recurrent funding for research in 1997-8; by 2006-7, this had risen to £227.8m (this amount exludes the Knowledge Transfer Grant) – an increase of 114.9%.[36],[37]

The great majority of recurrent funding for research in UK higher education is called QR (quality-related) and is allocated on the basis of departments' results in the Research Assessment Exercise (RAE). Across the UK, university departments with an RAE rating of 1, 2 or 3 (the lowest) do not receive recurrent funding for research. There are some exceptions to this: in England, eligible departments with a 3a and 3b rating receive funding under the capability funding stream, worth £22m in 2005-6. Capability funding is intended to 'support research in emerging subject areas where the research base is currently not as strong as in more established subjects'.[38] The following subject areas are eligible: nursing; other studies and professions allied to medicine; social work; art and design; communication, cultural and media studies; dance, drama and performing arts; sports-related studies.

There is a similar system in Scotland, with no funding for departments getting less than a rating of 4, with the exception of departments termed 'rising' 3a. Likewise in Wales, from 2004-5 QR funding will only be allocated to departments achieving the highest ratings, of 4, 5 or 5*, in the 2001 RAE. In Wales, reductions in QR funding in 2004-5 are being compensated for to some extent by the introduction of the Research Investment Fund, which is to be allocated to departments with a rating of 3a in the 2001 RAE, or 3b if the latter represents an improvement on the 1996 RAE rating or a new rating in 2001.

Although in 2003 the Secretary of State for Education and Skills announced that funding for 4 rated departments in England would be 'held steady' in cash terms until the next research assessment exercise, that in effect means funding reductions in real terms over the next four or five years.

Between 1997-8 and 2005-6[39] the allocation of recurrent funding for research (mainly under the QR stream) generally became more concentrated in the hands of a small number of HEIs. In England, the research funding share for the highest 10% of research-earning HEIs rose from 56% to 59%; in Wales, the highest research earner, Cardiff University, increased its share of total funding from 39% to 57%; in Scotland, the funding share of the highest 10% of research-earning HEIs rose from 48% to 49%. Data for Northern Ireland's two research universities – Queen's University Belfast and University of Ulster

– in 2005-6 were unavailable at the time of writing.[40] In all three countries, the highest 50% of research earners accounted for almost 100% of allocated recurrent research funds.

Higher education institutions' share of QR research funding

	England		Wales		Scotland	
	1997-8	2005-6	1997-8	2005-6	1997-8	2005-6
Number of HE institutions	135	130	14	13	22	19
Highest 10% of research earners	55.8%	59.4%	39.4%*	57.0%*	47.6%	49.3%
Highest 25% of research earners	84.3%	78.1%	83.5%	82.7%	81.8%	75.7%
Highest 50% of research earners	95.1%	94.2%	97.5%	98.7%	97.1%	95.8%
% with no recurrent funding for research	10.4%	11.5%	14.3%	15.4%	13.6%	0.0%

* Cardiff University only
Source: data for 1997-8: HESA Finance Plus; data for 2005-6: England: HEFCE circular 2005/43 table 1; Wales: HEFCW circular 2006/06 table 3; Scotland: SHEFC circular HE/08/05 table B7 (excluding funding for Knowledge Transfer Grant, which for the purpose of this submission is seen more as funding related to university-business links than to research per se). Percentage calculations by UCU.

Full economic cost of research

Lord Sainsbury, Parliamentary Under-Secretary of State for Science and Innovation at the Department of Trade and Industry:

'If we are to put university finances on a sound basis … it is vital both that universities know what is the full economic cost of their research and that funders accept an obligation to pay universities the full economic cost of the research they do.'[41]

From 1 September 2005, the UK Research Councils are funding the research that they support on the basis of paying 80% of the full costs of the research. As Lord Sainsbury has said: 'Universities need to recover FEC across the broad range of their activities … the objective must be for all to pay a fair and proper value for the research they commission.'[42]

The government's 10-year plan for science and innovation, published in July 2004, says the government will enable research councils to provide close to the full economic costs of their university-conducted research by early in the next decade. Funding bodies will be working with research charities, which are major funders of research in universities, to close the gap between current spending and the full cost of the research done for them.

Comment

We welcome the introduction of funding streams additional to QR funding which are intended to stimulate research potential, but we believe that research funding is already too concentrated and any additional selectivity risks undermining the intellectual culture across the national university system as research becomes unduly concentrated in very few institutions.

Research concentration will fail to sustain world-class research because it risks killing off the sources of academic creativity in departments rated 4 and below. This situation is putting much valuable research at risk, and undermining the government's policies of enhancing regional research collaboration between universities, and of developing links between universities and the businesses in their regions.

We call for the restoration of real terms funding increases to 4-rated departments in England – particularly to maintain regional research capacity – and for increased support for research funding in Northern Ireland.

We call for the 2008 RAE to be conducted in a fair and transparent manner and for the outcomes to be properly funded. In addition, the government and the funding councils should begin work with HE stakeholders to ensure sensible workable alternatives to the RAE beyond 2008.

We note the proposals in the 2006 Budget for a mainly metrics-based system for assessing research quality to replace the RAE either before or after 2008. This is a controversial proposal, and at this late stage we think it would cause chaos in the sector to replace the RAE before 2008 with a metrics-based system. Although many of our members would support an immediate end to the 2008 RAE, it is extremely unlikely that a 'simpler system' will end the publish or perish approach that has been adopted by most UK universities. In fact, a metrics-based system is likely to result in further negative consequences for UK research. For example, using research income as the measurement of quality is likely to disadvantage smaller, specialist departments and research teams. We will use the formal consultation period in May to October 2006 to gather members' views and make them widely known.

We welcome the government's drive towards full economic costing of research carried out in UK higher education. In particular, we recommend that the funding councils meet their commitment to fund projects at 100% of the full economic cost by the end of the decade. At the same time, full economic costing should ensure that bureaucratic burdens that arise from the process are kept to a minimum. Full economic costing should also support the move to permanent contracts as the norm for research staff.

12 Teaching infrastructure

Further education

Sir Andrew Foster, who lead the recent review of further education:

'One of the things which stood out for me from doing this study … is the need for further capital investment in FE around the technology it has. If you are going to drive for world-class technological skills, because the global economy is changing, there is no point in training people on old equipment which does not suit them for the jobs they go out to, and frankly some of the FE estate is very tired.'[43]

In March 2005 the Chancellor pledged an extra £350m for investment in buildings for further education in 2008-10.

In the 2006 Budget, the Chancellor announced a further increase in the level of capital spending on further education colleges, saying: ' … we will match these further education reforms that promote individual choice, increase local accountability and business engagement, and reverse failure with £500m of capital investment … by 2008.'

Comment

We welcome the additional funding recently announced for England, but strongly suspect that it will not be sufficient to equip FE colleges to do their work successfully over the next decade.

We urge the government and the relevant funding bodies for further education to undertake research in further education, along the lines recently carried out in the higher education sector, into the current state of teaching infrastructure, and the expenditure needed to upgrade facilities.

Higher education

The report of JM Consulting for HEFCE, Universities UK and the Standing Conference of Principals, *Teaching and Learning Infrastructure in Higher Education* (June 2002), concluded that the government should provide capital funding worth £5bn over several years to meet universities' needs for remedial infrastructure. This would cover updating buildings, providing modern teaching facilities, improving use of space, providing facilities that can attract students and staff, updating libraries and replacing and upgrading information and communications technology.

A further £100m over a five year period was recommended for project-based funding for advanced facilities for e-learning and widening participation. The total public bill for teaching and learning infrastructure recommended by JM Consulting came to £5.1bn for the UK.

Following the 2002 Spending Review, the government provided higher education in England with capital grants for IT and other items of £206m in 2003-4, £376m in 2004-5 and £441m in 2005-06.[44] In the period 2006-8 £550m is being allocated to institutions in England for learning and teaching capital items, of which £60m is to address the backlog of under-investment in science and engineering teaching laboratories.[45] HEFCE's aim is that by 2010 all science and engineering laboratories should be classed as at a good standard or better.

In Wales, higher education institutions have been allocated £7.5m in 2003-4,[46] £5m in 2004-5 and £5m in 2005-6 for capital funding for learning and teaching and IT infrastructure.[47] In 2006-7 there will be £7.6m for learning and teaching and IT infrastructure, and the same amount in the following year. In Scotland, SHEFC allocated institutions £15.5m in 2004-5, and a further £28m in 2005-6 for modernising teaching infrastructure.[48]

This leaves a shortfall of approximately £3.5bn of teaching infrastructure investment needed, according to the JM Consulting report, plus inflation (it is likely that since the report was produced, in 2002, additional needs have arisen and will need to be quantified).

Teaching infrastructure expenditure

	England*	Wales	Scotland
	£m	£m	£m
2002-3	154		
2003-4	206	7.5	
2004-5	494	5	15.5
2005-6		5	28
2006-7	550	7.6	
2007-8		7.6	
Total	1,404	32.7	43.5

* Amounts for 2002-3 and 2003-4 classified as 'IT and other capital' (excluding research), as itemised in the annual grant letter from the DfES.

Comment

We are concerned at the shortfall in spending on teaching infrastructure. We call on the government to work with the sector to address this problem with additional expenditure over the decade from 2008. If additional funding is not made available, then the sector will hampered by poor quality buildings, inadequate IT resources and the inability to equip students with the key skills they need because of outdated equipment.

13 Research infrastructure

The bulk of spending since 2002 on research infrastructure has been on capital items for science.

Science research infrastructure

The report by JM Consulting for the Office of Science and Technology (OST), 'Study of Science Research Infrastructure' (December 2001), said that £2.7bn (at 2001 prices) was needed as remedial investment in generic institutional infrastructure in science research in UK higher education institutions. A further £0.5bn was needed to upgrade research facilities to the level of the well-found laboratory which an external sponsor might expect to find in place, and an additional £1bn was needed to provide advanced equipment and facilities, making a total of £4.2bn needed in research infrastructure investment.

Analysis of expenditure on science research infrastructure expenditure since 2002 by the OST and the higher education funding bodies shows around £2.8bn in public spending on this area. A further £225m was provided by the Wellcome Trust in SRIF round 1, making a total investment of £3.1bn in science infrastructure.[49] According to this analysis, there is an approximate shortfall of £1.1bn on the amount of research infrastructure investment needed, as well as the additional cost of inflation.

Research infrastructure funding

		SRIF via Science Budget, UK-wide	HEFCE: JIF & SRIF funding [50, 51, 52, 53]	HEFCW [54, 55, 56, 57]	SHEFC [58, 59, 60, 61]	DELNI: SRIF
		£m	£m	£m	£m	£m
JIF[62]	1999-00		50	3.2	3	
	2000-1		100	8.2	5	
	2001-2		150	10.8	10	
SRIF1[63]	2002-3	125	150	10.8	10	
	2003-4	250	150	10.8	10	
SRIF2	2004-5	297	200	10.8	15	19.4
	2005-6	300	200	10.8	15	
SRIF3	2006-7	300	200	10.8	15	
	2007-8	300	203	10.8	15	
	Total since 2002	1572	1103	64.8	80	

JIF: Joint Infrastructure Fund; SRIF: Science Research Investment Fund; HEFCE: Higher Education Funding Council for England; HEFCW: Higher Education Funding Council for Wales; SHEFC: Scottish Higher Education Funding Council: DELNI: Department for Lifelong Learning Northern Ireland.

Comment

We welcome the major steps which have been taken over the past decade to invest in research infrastructure in UK higher education. But we call on the government to work with the sector to meet the outstanding needs for investment in research infrastructure. Without this additional expenditure, UK higher education institutions will be trying to maintain a world-class research base with buildings which are unfit for purpose, with growing health and safety risks due to ageing structures and equipment, and with poor facilities which will not attract the cadre of researchers the sector badly needs.

14 Business and community outreach and knowledge exchange

Further education

Outreach activities, having staff who go out from the institution to work with individuals and organizations who are not participating in learning and training, have a long history in further education. Pioneered in the 1970s and used by many colleges and adult education services to assist widening participation activities, outreach fell from favour in the 1990s when increasing student numbers usually from groups and individuals already participating in learning was the policy imperative.

From 1997 when the Kennedy Report on further education reintroduced widening participation, there has been a rediscovery of outreach. Outreach in further and adult education has two main thrusts: taking existing curricula out of the college/service to new usually community sites; negotiating the existing curricula with groups and individuals and through these processes developing new curricula, programmes and modes of delivery. Outreach in essence was translation: translating the curricula to groups and individuals unfamiliar with both it and the language it is often described. It is also about taking messages about learning needs and wants to colleges/services in terms that could respond to.

As the policy imperatives now seem to be moving away from widening participation again to a focus around skills generation, there are two main concerns around outreach activities.

The first is the policy change referred to above. However, outreach could still be a vital component in meeting government targets for adult literacy and numeracy.

The second threat to outreach activities is around funding. Although outreach can and should be essential to a college/institution's activities, its funding can be insecure. It is often a long term investment with small immediate pay off in the type of indicators so beloved by funding agencies. With the funding methodology prior to the Learning and Skills Council there was an entry element which was for work before actual teaching and learning. This could fund outreach, along with other marketing and information, advice and guidance activities.

The LSC funding methodology combined the entry element with the teaching and learning component and this meant there was no funding that could be identified for outreach. As the LSC moves to yet another funding allocation process that leaves behind most of the methodology used for more than a decade, the future funding for outreach activities is very uncertain.

One way of moving forward in terms of outreach may be to develop outreach teams based perhaps on local authority or local LSC areas. There is sufficient

practice in outreach to know that organizations and individuals may have learning needs and wants that run across institutional and organizational boundaries, and there may be advantages to having outreach workers relate to geographic areas. This also might help funding as it could then be spread between a number of organisations.

There has been an increasing focus on colleges' engagement with employers. Although a high percentage of employers using colleges are satisfied with what colleges are providing, there are even higher percentages of employers not using colleges nor knowing very much about them.

As with colleges' early relationships with community organisations, some of the problems are about message and language being used by colleges and employers. We consider that there is an urgent need for a cadre of 'translators'/intermediaries in the employer/college nexus. Indeed the second Skills White Paper, in March 2005, recognised this requirement with its proposal for 'skills brokers' especially in relation to National Employer Training. These brokers would seem to have other roles in terms of the contentestable nature of these programmes and other employer engagement activities. There may be then advantages in having outreach teams for business on hand to facilitate college-employer discussions. Such teams could be on a regional or local LSC basis.

The 2006 further education White Paper acknowledges employers as the major customer of FE, alongside learners. The 'demand-led' Train to Gain programme for adult learners, starting in April 2006, to deliver training, normally in the workplace, is, according to the White Paper 'designed and delivered to suit the employer's operational needs'.[64] Brokers will work with employers to assess training needs and find suitable training for employees. Basic skills and a first level 2 qualification will be free; level 3 provision will receive a state contribution of up to 50% of the costs.

Higher education

In the past 15 years there has been a marked increase in the level and scope of interaction between higher education and business in the UK. These activities have come to be seen as a third strand in the missions of higher education institutions, in addition to teaching and research, and have become a significant element in the activities of universities and their staff.

There are many different kinds of interactions between higher education and business. These range from technology transfer and research collaboration – which are particularly marked in higher education institutions with a higher level of research intensity – to contributing access to education, supporting small and medium sized enterprises (SMEs) and meeting regional skill needs, which are more marked in institutions with a lower level of research intensity.[65] Institutions with a higher research intensity tend to focus particularly on business sectors/clusters in science, medicine, engineering and technology; institutions with a lower research intensity are particularly active among not-for-profit organisations and in the public sector.[66]

To increase knowledge transfer, the government has introduced a variety of schemes to improve performance: University Challenge, providing universities with seed corn funds; Science Enterprise Centres, providing access to entrepreneurial skills to science and engineering undergraduates and graduates; the Higher Education Innovation Fund, providing incentives for universities to transfer knowledge to the economy. In the 2005 Budget, Chancellor Gordon Brown announced that there would be funding incentives for universities opening their research facilities to business.[67]

We note the particular focus of the second Comprehensive Spending Review on the acceleration in the pace of innovation and technological diffusion and the continued increase in the knowledge-intensity of goods and services. The Lambert review of business-university collaboration has recently addressed this issue, and recommended that third stream funding should be increased to around £150 million in England 'in the future'.

Joint funding by HEFCE and the Office of Science and Technology for the third round of the Higher Education Innovation Fund (HEIF) in England will will provide a total of £238m over the two years 2006-07 and 2007-08. This includes up to £20m as continuation funding for the Centres for Knowledge Exchange (CKE) which were initiated in 2004 under HEIF 2. Under the third round of HEIF, funding will largely be allocated to institutions on a formula basis.[68]

The Higher Education Funding Council for Wales's Third Mission Fund supports higher education institutions in activities that bring economic and community benefits. The Third Mission Fund was £4.1m in 2005-6, rising to £6.1m by 2007-8. HEIs have developed rolling three-year strategies (from 2004/05 to 2006/07) for their third mission activities, which include:

- enterprise & entrepreneurship – eg the development of spinout companies from HEIs;
- services to business – eg training and consultancy;
- contract research;
- skills and employability – eg developing graduate skills suitable for the workplace, working with employers to develop the curriculum;
- innovation & knowledge transfer – eg collaborative research programmes with industrial partners;
- developing new and faster ways of doing things;
- community development – eg promoting Welsh language and culture, public lectures, exhibitions and other events for children and adults.[69]

In Scotland, the Scottish Higher Education Funding Council has introduced formula allocation for knowledge transfer based on activity measures through its Knowledge Transfer Grant from 2004-05. This aims to maintain predictability in allocations through formula funding rather than competitive bidding, and will monitor and keep under review the metrics used for funding purposes. The KT grant in 2006-7 is £16.0m.

In Northern Ireland, knowledge transfer is promoted primarily via an adaptation of HEIF which is a joint initiative of the Department of Enterprise, Trade and Investment (DETI) and the Department for Employment and Learning (DEL), and delivered by the Regional Development Agency, Invest NI. Eligible activities must take account of DEL/DETI strategic priorities and also reflect the Northern Ireland Regional Innovation Strategy. Funding of around £9.5m has been granted for 2004-5 to 2006-7.

Since the late 1990s, there has been a series of surveys of HE-business interaction covering the whole of the UK and published by HEFCE, the most recent, published in January 2005 and covering the period 2002-3, was titled 'Higher education-business and community interaction survey'.[70] The inclusion of 'community' in the title of the 2002-3 survey was significant. Although most HEIs responding to the survey reported private commercial business, as the main beneficiaries of their services, 50 reported public sector partners as the main beneficiaries. A further 26 HEIs reported social, community and cultural groups as their main priority.

Overall the survey data show a 'continuing improvement' in HE-business interactions. There was 'evidence of growing ownership by HEIs of their own distinctive approaches to contributing to the economy and society (their third stream strategies), reflecting the diversity of the HE sector'.[71] There was an increase in the commitment to supporting small and medium-size enterprises (SMEs) and meeting regional skills needs. Provision of a single enquiry point for business and working with SMEs to determine their needs from HE was now done by 89% and 79% of HEIs respectively.

The latest report indicated that income from consultancy in 2002-3 was up by 38% from from 2001-2. The number of HE staff reported whose main role is working with business and the wider community in 2002-3 was 4,134 full-time equivalents – a 125% increase on the 1,836 figure for 2001-2.

The turnover of formal spin-off companies (both with and without HEI ownership) was £358m, with an employment of nearly 13,000 full-time-equivalent staff. Intellectual property-based income, from licensing and sale of shares in spin-offs, appeared to have diminished slightly.[72]

The report showed that UK HEIs continued to generate more than three times as many spin-off companies per £m of research expenditure as in the US; however, US universities produced around one-third more patents per £m and well over double the licence income per £m.[73]

Comment

We welcome the opportunity for increasing numbers of UK academic staff to develop entreneurial skills and commercialise the research and scholarship they are engaged in. We welcome the government's commitment to increased funding of university-business links, not least the the formation – announced in the 2006 Budget - of a national enterprise network of over 200 schools, new

summer schools in enterprise, including scholarships to American universities for young British entrepreneurs.

Provided additional funding for third stream activities is 'new' money, and not top-sliced from recurrent funding for teaching and research, we welcome the government's response to Lambert, and look to the government to meet the Lambert recommendation during the period of the 2007 Spending Review. We also welcome providing the majority of third stream funding on a formula basis.

But higher education-business interactions are rightly in a minor league – compared with mainstream teaching and research – in terms of university priorities, and in terms of the amount of staff time spent on them, and in terms of the proportion of university income and expenditure they account for.

We consider it is of great importance that higher education institutions are allowed flexibility and autonomy in how they interact with business and the community; that social engagement is considered as valid as economic engagement; and that institutions guard against commercialisation of knowledge restricting academic freedom. We emphasise the need for increased awareness among employers of the potential for working with HEIs.

In a recent publication by the Higher Education Policy Institute, Sachi Hatakenaka said: ' 'Third stream activities' need to remain very diverse as each university should respond to external needs in its own way, and so it is vital that government support should not lead to straitjacketing or even narrowing its focus … The overarching policy objective should be to instil economic and social impact as 'values' within universities …'[74]

On the potential conflict of interest between academic freedom and commercial confidentiality, arising out of universities having economic agendas, we note Hatakenaka's comment: ' … some of the best US universities have a culture that means they would choose 'openness' over patenting if that was a more effective route for generating public benefits.'[75]

The 2003 white paper, 'The future of higher education', acknowledged the importance of university-business interactions in England's regional economies, but said: 'Much of our current performance is based on knowledge transfer from cutting-edge, internationally competitive research. This is important. But we must also make sure that businesses can access all the rest of the knowledge and expertise held by the HE sector.'[76]

Following on from that, the white paper has given the English Regional Development Agencies, from 2004-05, a formal role in how the Higher Education Innovation Fund is distributed. The AUT supports attempts to strengthen regional partnerships between universities and bodies such as RDAs and the Learning and Skills Councils. However, we do have some concerns about the accountability and representativeness of RDAs. For example, who will monitor their activities and how can universities and their staff influence them? The RDAs in England are newly created bodies, and will

need time to establish themselves and their strategies for regional economic development, particularly in relation to higher education. The AUT cautions against an overly interventionist approach by the RDAs to higher education institutions.

In addition the white paper proposed a network of around 20 Knowledge Exchanges, to be 'exemplars of good practice in interactions between less research-intensive institutions and business'.[77] The AUT welcomes the Knowledge Exchanges. However, we would not want to see knowledge transfer activity concentrated in teaching-only institutions. It makes no sense to fund institutions to transfer knowledge that they have played no part in creating. Knowledge transfer is not a separate activity from research but operates most effectively when it flows naturally from the research that underlies it. Despite the extra funding for knowledge transfer, there is a danger that the effect of the government's policy of further research selectivity will be to weaken the knowledge transfer capacity of the sector as a whole.

A number of actual or potential conflicts relating to involvement by academic and related staff in economy related activities. These issues need to be addressed if best practice in university-business interactions, from the staff perspective, is to be ensured, and if barriers to interactions are to be overcome.

There are conflicts of interest between academic freedom and commercial confidentiality. The strong tradition among academics of early, widespread and unfettered publication of the results of research is often seen to be at odds with the desire by commercial sponsors of research to delay – or even suppress – publication.

Clear institutional level guidance on best practice is needed on issues such as length of confidentiality periods and the right to publish the findings of research or consultancy. Contracts between universities and sponsors need to reflect this best practice.

There can be a conflict between the goals and interests of academics and of businesses. While academics may be interested in knowledge for its own sake, business partners are chiefly interested in the commercial relevance of research.

One potential resolution to these conflicts would be for both sides of a university-business partnership to be clear about their priorities and aims in a partnership to develop greater awareness of where the other partner is 'coming from'. Institutions should provide potential partners a clear statement of their values and priorities – particularly relating to institutional autonomy and academic freedom – and how these apply to university-business interactions.

There is often a conflict within higher education institutions between the public agenda of an institution, as expressed in its mission statement and corporate planning documents, and the financial realities of life in higher education. In

particular this relates to institutions saying they support university-business links, particularly at the local and regional level, while the 'hidden agenda' of institutions is that activities which count towards a high Research Assessment Exercise rating – and thereby high research funding – are what really count.

Although the rules governing the RAE have become more inclusive in terms of what can be submitted in the exercise, the tension still exists. Greater provision of recognition and reward for staff involved in economic related activity, in terms of remuneration, release from other duties, promotion and staff development, would help to ease these tensions.

Universities need to pay closer attention to the ethical dimension of commercial funding. In recent years, there have been a number of notorious examples of corporate sponsorship, most famously the decision by Nottingham University to accept £3.8m from British American Tobacco to set up an International Centre for Corporate Social Responsibility. The AUT has been encouraging a discussion with our members on this issue, for example, by promoting the new Missenden Code of Practice on Ethics and Accountability.[78] However, we believe that the vice-chancellors need to become more involved in the debate.

The AUT believes that universities should ensure that their policies on university-business relations require open contracts, effective conflict of interest guidelines, and clear control of any academic policy implications of such arrangements by the academic board.[79] Universities should reject contracts that have inappropriate strings attached. Academic boards should have a mechanism to review contracts with academic conditions attached and should periodically review other research contracts to ensure that they are not in violation of the academic integrity of the institution.

We welcome the contribution of sectoral guidance, 'Ethics matters: managing ethical issues in higher education', published in 2005,[80] to this and other issues. We recommend that higher education institutions use the 'Ethics matters' guidance in developing their own comprehensive policies.

15 The further and higher education interface

There are some significant areas of overlap between further and higher education. In 2004-5 in the UK there were more than 130,000 students at further education level who were studying in a higher education institution. In England alone, in 2003-4, there were more than 60,000 students at a higher education level who were studying in a further education college, and the growth of Foundation Degrees means that HE in FE is set to expand.

Both sectors have their own areas of expertise and have differing advantages for learners and students, with higher education able to offer learning in a research-enriched environment, and further education more geared to offering local and more flexible learning programmes.

We note the comments of Professor Gareth Parry in a 'think piece' for the Foster Review: 'As a result of the movement of higher education from elite to mass and now near-universal levels of access, the concept of further education has become increasingly redundant. Higher education is now a distributed system and the two sectors resemble overlapping and intersecting zones, rather than functionally separate territories. The notion of further education is a survival from a different era and it should be abandoned in favour of an open system of colleges and universities. If the aim is to promote a more differentiated, articulated and networked pattern of higher and post-secondary education, there is little sense in holding to a redundant category, especially if it might hinder widening participation and lifelong learning.'[81]

Further education in higher education

Further education students in higher education institutions are those on programmes of study for which the level of instruction is equal to or below that of level 3 of the National Qualifications Framework, ie courses leading to the General Certificate of Education or Vocational Certificate of Education A-level, or the Advanced Higher Grade and Higher Grade of the Scottish Qualifications Authority. This includes students studying non-accredited and non-approved higher education qualifications.[82]

In 2004-5 in the UK there were 29,000 full-time and 107,050 part-time further education students in higher education institutions. Although they represented only 2.0% of full-time students in UK higher education institutions (1.1% in 1996-7), they represented 11.2% of part-time students (4.4% in 1996-7).

The FE-in-HE students in England were predominantly in specialist higher education institutions, such as art and education colleges, and in former polytechnics. In 2004-5, for example, the University of the Arts, London, reported 9,515 part-time FE-in-HE students, and Leeds Metropolitan University had 18,800 part-time FE-in-HE students. 62% of all students at Thames Valley University in 2004-5 were classified as FE-in-HE.

By contrast in Wales, the great majority of FE-in-HE students were in 'pre-92' institutions – particularly at Aberystwyth, Bangor, Cardiff and Swansea. At the 'post-92' University of Glamorgan, on the other hand, there were only 70 part-time FE-in-HE students – less than 1% of all students there.

There has been considerable growth in FE-in-HE since the mid-1990s. Numbers of full-time FE-in-HE students in the UK grew by more than 130% between 1996-7 and 2004-5. Numbers of part-time FE-in-HE students in the UK grew by more than 270% between 1996-7 and 2004-5. The great majority of FE-in-HE students are in England and Wales; their numbers are very small and declining in Scotland (a situation closely linked to the Scottish education system, with one-year Highers, four-year degree courses, and a strong further education sector – see below) and non-existent in Northern Ireland. The growth of part-time FE-in-HE students in England and Wales has been particularly dramatic, with Welsh part-timers rising by 380% over the period.

Further education students in higher education institutions

	England		Wales		Scotland		NI	
	Full-time	**Part-time**	**Full-time**	**Part-time**	**Full-time**	**Part-time**	**Full-time**	**Part-time**
1996-7	11,833	26,631	520	1,513	85	320	0	0
2004-5	28,545	99,700	390	7,265	65	80	0	0
96-7 to 04-5 % change	141.2%	274.4%	-25.0%	380.2%	-23.5%	-75.0%		

	UK		UK		UK	
	Full-time	**Part-time**	**All Full-time**	**All Part-time**	**FE as % of total in HEIs**	**FE as % of total in HEIs**
					Full-time	**Part-time**
1996-7	12,438	28,464	1,151,009	646,073	1.1%	4.4%
2004-5	29,000	107,050	1,420,505	952,070	2.0%	11.2%
96-7 to 04-5 % change	133.2%	276.1%	23.4%	47.4%		

Source: HESA, Students in Higher Education Institutions 1996-7, 2004-5, Table 0a; percentage calculations by UCU.

Higher education in further education

In 2003-4, there were about 66,000 full-time and part-time higher education students in further education colleges in England. They comprised about 3% of full-time and 1% of part-time students in further education. The numbers of full-time and part-time higher education students in further education colleges in England have decreased overall in recent years. Between 2000-1 and 2003-4, the total number of full-time HE students in FE colleges dropped by 13%, and the total number of part-time HE in FE students fell by 5%. Only among postgraduate HE students in FE colleges was there strong growth over the period, but the numbers of these students are small.

Higher education in further education colleges, England (thousands)

	2000-1 actual		2001-2 Actual		2002-3 actual		2003-4 provisional	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Postgraduate	0.5	2.4	0.6	2.9	0.5	3.9	0.6	4.0
First degree	12.3	3.7	12.0	3.8	10.8	3.2	10.6	3.9
Other u/grad	22.2	32.0	24.7	36.5	21.7	31.1	19.1	28.3
Total	35.0	38.2	37.2	43.2	33.0	38.2	30.3	36.2

Source: DfES departmental report 2005, Annex Q

Changes in higher education students in further education colleges, England

	2000-1 to 2003-4	2000-1 to 2003-4
	Full-time	Part-time
	Change	Change
	%	%
Postgraduate	20.0%	66.7%
First degree	-13.8%	5.4%
Other u/grad	-14.0%	-11.6%
Total	-13.4%	-5.2%

Source: DfES departmental report 2005, Annex Q; UCU percentage calculations

These data are somewhat at odds with the picture of HE in FE provided by a report in April 2003 by the Higher Education Funding Council for England, which said: 'Following the recommendations of the Dearing Committee that FECs should be given 'a special mission' in the expansion of sub-degree higher education, there has been a marked growth in the numbers of students who pursue higher education courses within FECs and in the variety of programmes offered by the colleges.'[83] The HEFCE report went on to say that FE colleges had been successful in recruiting and teaching non-traditional students, and 'are able to do so at a lower cost than HEIs'. As a result, FECs were seen as vital in helping to achieve the government's (then) target that 50% of 18-30 year-olds should participate in higher education by 2010. 'This is because of their proven track record in recruiting students from under-represented groups, their local accessibility, supportive and flexible methods of delivery, and close contacts with local schools, employers and HEIs.'[84]

Nevertheless, the role of FE colleges in widening participation in higher education is significant. The FE-HE 'think piece' for the Foster Review in 2005 found that, given their accessibility to local students, their mainly short-cycle and part-time modes, their vocational orientation and their lower entry requirements, 'there is evidence to suggest that higher education programmes offered by further education sector colleges attract a larger proportion of 'widening participation' students than higher education sector institutions.'[85]

In England, the Higher Education Funding Council for England is responsible for funding higher education courses in further education colleges. Total grant to further education colleges from the Higher Education Funding Council for England will be £151.7m in 2006-7.[86] This is approximately 3% of HEFCE total grant. Total HEFCE grant to FE colleges in 2002-3 was £135m, also 3%

of total HEFCE grant. Between 2002-3 and 2006-7, HEFCE grant to FE colleges grew by 12.6%.

Through the HE in FE development fund, HEFCE has provided money to help build capacity in FE colleges for the delivery of HE provision at colleges with more than 100 full-time equivalent HE student provision. This funding stream was established in 1999-2000. Priorities for development were: higher education growth; a higher education ethos and environment; staff development; curriculum development; and systems infrastructure. The sums involved in the fund were fairly modest: £8.7m in 2003-4; £10m was earmarked for capital spending in 2004-5. This funding initiative has now been consolidated into HEFCE's recurrent grant for teaching for FE colleges.

The main development in the HE-in-FE area in England has been the introduction of the two-year (if full-time) Foundation Degree (FD) courses, largely provided in FE colleges, but validated by HE institutions. FD courses began in the autumn of 2001, with 4,300 students enrolled on them.[87] The DfES says: 'Foundation Degrees are developed in collaboration with employers and target higher level skills shortages. They are validated by HEIs to ensure that they meet standards. Employers value them for their hands-on vocational focus that enables graduates to make an immediate contribution to their enterprises.'[88]

By 2004-5, there were some 38,000 students on FDs. By 2005-6 the DfES wanted there to be 50,000 full-time equivalent FD places. Their significance in the government's plans can be seen from the numbers of publicly funded new places in higher education in England for 2006-7. For that year, HEFCE is planning an additional 20,300 funded full-time equivalent higher education students. Of these, 10,500 – ie more than 50% - are to be on FDs. The DfES has made it clear that it wants FDs to overtake Higher National Diplomas in numerical and proportionate terms.[89] Funding has been made available through HEFCE for replacing HNDs with Foundation Degrees (Foundation Degree Forward development – allocated £6m in 2005-6).[90]

The FDs are seen by the government as being a major contributor to the 50% participation target. From 2006, any FEC wishing to charge undergraduate variable top-up fees up to the maximum level will have to have an access agreement in place with the Office for Fair Access. To date few have asked for this.[91]

The most recent round of academic reviews by the Quality Assurance Agency of directly funded higher education in FECs reported confidence in the academic standards of over 90% of the programmes reviewed.[92]

According to the Association of Scottish Colleges, more than 25% of all higher education provision is delivered by Scotland's colleges. 'It is due to the contribution of colleges that Scotland can boast that over 50% of 17-21 year olds go on to higher education. A key element of Scotland's strategy for lifelong learning is the Scottish Credit and Qualifications Framework.'[93]

In Scotland, 72,000 (17%) of the 435,000 students in further education colleges were at higher education level in 1999-2000.[94] By 2004-5, student numbers had dipped, with 55,600 (14%) of 407,900 students in further education in Scotland at higher education level (along with a further 5,200 at the newly-established University of the Highlands Millenium Institute – 'a partnership of colleges providing higher education level courses').[95]

Comment

Our aspiration for further and higher education, and the growing links between the two sectors, is that every effort should be made to facilitate the passage of students through the education system. This is in the interests of improving the skill set of the people of the UK through their adult lives, and in the interests of doing as much as possible to widen participation in further and higher education.

We acknowledge the generally growing links in educational provision between the further and higher education sectors. We consider that higher education, of an appropriate level, adequately resourced and rigorously evaluated, should be recognised as part of the work of further education colleges. In particular, we recognise the crucial role further education colleges have in widening participation in higher education. But given the scale and diversity of the further and higher education sectors in the UK, particularly in England, it may not be appropriate to impose clear-cut boundaries governing the types of higher education carried out in further education colleges, and vice versa.

We emphasise that where higher education takes place in a further education environment, that this is appropriately funded, so that the education experience is of comparable quality with higher education in an HEI. There must on no account be a reduction of the unit of teaching resource for higher education students in further education colleges. The adequate teaching resource is needed so that library materials, ICT, staff development and general teaching infrastructure for HE in FE are on a par with HE in HE.

For appropriate delivery of HE in FE to flourish, overall resourcing is key. We note the current review by HEFCE of HE in FE and urge that it include consideration of the resources necessary for the effective delivery of HE in FE. This must include consideration of the needs of FE staff in terms of HE-equivalent workloads, opportunities for professional development and scholarship and for participation in a research culture. To this end, we recommend an investigation into the provision of HE in FE to determine ways in which relevant FE staff can be encouraged and enabled to take part in research activities, in conjunction with HE partners.

Furthermore, as has been identified by the Mixed Economy group of FE colleges, not only must HE provision in FECs continue to be funded at the same unit of resource as that delivered in HEIs, but there is an urgent need to provide equitable and comparable capital funding to ensure that students studying in FECs get access to the same quality of teaching and learning infrastructure as their counterparts in universities.

We urge government departments, funding bodies and other relevant organisations to work together so that policies for funding and quality assurance enable further and higher education institutions to collaborate effectively and efficiently.

We note the larger proportion of students at higher education level in the Scottish FE sector (14%), when compared with England (3%). This suggests that there is a better articulated route into higher education via further education in Scotland than in England. This is likely, given the development in recent years of the Scottish Credit and Qualifications Framework, linking education from level 1 through to level 5 with a credit points system which facilitates movement from, for example, further education courses onto degree programmes.

The DfES White Paper in 2006, Further education: raising skills, improving life chances, acknowledged the need for a clearer and more widely understood qualifications framework linking FE and HE. We note the commitment of the DfES to develop a more comprehensible system – the Framework for Achievement – and we look forward to participating in the preparatory work for that.

We note the recent merger of further and higher education funding bodies in Scotland. We recommend that the impact of the merger is evaluated after the first 12 months of operation of the Scottish Funding Council.

We support the following recommendations in the Foster Review, that:

- FE colleges, working collaboratively with Higher Education Institutions, should improve learner pathways to higher education to facilitate progression. (p. 81)

- The LSC should continue its work with HEFCE to improve learner pathways to higher education to facilitate progression. (p. 84)

- HEFCE and LSC, colleges and universities should expedite work to ensure clear learner pathways exist across the country to enable progression to higher levels. (p89)

We urge continuing support for the development of Lifelong Learning networks, and for FE Colleges to enjoy equitable partnership arrangements in the planning and delivery of Foundation Degrees

We recommend that the four countries of the UK work towards the adoption of a UK-wide credit and qualification framework, linking school, further and higher education in a way that is easy to understand and to use, as a major contribution to widening participation in education and enabling people to obtain the skills they need for life. We recommend that additional public funds are made available to support this recommendation.

We recommend that each country in the UK has an expanded version of HEFCE's HE in FE development fund, to provide a level of funding for HE students in FE colleges that is equivalent to the appropriate unit of funding for HE students in HE institutions, providing for excellent resources and learning materials (including library facilities), ICT, infrastructure and staff development.

16 Adult and community learning

Chancellor of the Exchequer, Gordon Brown

'Workers will on average change jobs seven times during a working life, and the vast majority of today's workers will need to train or retrain for tomorrow's skills.' [96]

Gordon Marsden MP

'The demographics over the next ten to 15 years are going to invert the pyramid, or the trapezium, if you like, of learning, and you really are going to have a massive new cohort of people who are going to need to be re-skilled and retrained in their forties and fifties.' [97]

While the total number of students aged 16-18 in full-time equivalents (FTE) in England is forecast to rise by 9.2% between 2004-5 and 2007-8, the total FTE for adults is forecast to fall by 4.8% over the same period.[98] Although full level 2 places delivered through the National Employer Training Programme and mainstream FE will be increasing by more than a quarter of a million, the number of publicly funded places on shorter courses which do not lead to national qualifications is likely to fall by around 500,000 by 2007-8.[99]

The financial impact of this is to be offset partly by colleges offering programmes at full cost. Although overall funding levels increased by 4.3%, we note that the allocations by the Learning and Skills Council (LSC) for 2005-6 saw a 3% reduction in funding for further education for people in the 19+ age range.[100]

Comment

We are concerned at the planned reduction in funded places on courses that do not lead to national qualifications, and the reduction in funding for further education for people aged over 19. We consider that these are retrograde steps.

Not all the education and training that these adults will require over the next decade will be on a course that leads to a national qualification. There will be a continuing need for diverse provision of education for adults.

Furthermore, one of the key themes of the government's 2007 Comprehensive Spending Review is the increase in the population reaching retirement age. Adult education has a key role to play in contributing to the well-being of the 'baby boom' generation. There are significant benefits in health terms of senior citizens being able to participate in adult education, not only in terms of personal intellectual development. It is vital that old people maintaining a good social network, and participation in adult education helps in this. Contribution to the well-being of retired people is likely to reduce costs in other sectors of the economy, particularly health.

In recent years there have been a number of negative and even perverse outcomes in the funding of adult learning. These result partly from providers being 'too successful' in the context of a finite LSC budget and exceeding their targets both for growth in adult learners and for 16-19 year olds, and partly from the known priority of the government for work with 16-19 year olds and the in-built legislative bias towards young people that was written into the Learning and Skills Act 2000. There have also been some negative effects on provision from changes to the funding methodology for adult and community learning. This has meant variable levels of provision for adults between different colleges and services and between different local Learning and Skills Councils. We believe that the welcome guarantees given for adult and community learning in the first Skills White Paper June 2003 may have been seriously undermined.

We do not disagree with the government's priorities for adult learning in directing scarce resources to those most in need: adults without basic skills, and those in the workforce without a full level 2 qualification. We do not demur from the view that these are the prerequisites for further skills acquisition, including gaining qualifications at level 3 and above, which are those the economy most needs. However it is becoming increasingly evident that these policies need to be part of a well-rounded set of policies that include skills generation at all levels.

The government's intention to shift the balance of contributing the costs of adult learning to those who have already benefited from previous learning experiences is being implemented partly through the priority being given to learning programmes leading to full level 2 and basic skills qualifications, but also through increasing the fees that providers charge to those studying on level 3 and higher programmes. As far as we are aware this policy has not been based on evidence and we are fearful that the long term impact may be a fall in the numbers enrolling on these programmes because employers may be reluctant to pay for the increased costs, especially when they are being offered free level 2 programmes through the National Employer Training Programmes. Many low paid individuals who look to level 3 qualifications to move to better paid employment will not be able to afford the new increased fees. The result may be that level 3 programmes may have to close if they fail to recruit sufficient learners. Colleges saw a similar perverse outcome in the 1990s when the Further Education Funding Council funding methodology drove many providers to close down expensive workshop and practical programmes.

The negative results of these polices can now be seen in the shortage of certain skills, such as engineering and construction. We must preserve the progression opportunities for those currently taking up the level 2 entitlement and those who will do so in the near future.

There is a tightening financial squeeze on funding for many adult programmes. This issue needs addressing. Indeed we consider that the whole area of adult learning funding and its relationship to skills generation, and

meeting the government's goals, is an area which the government could usefully investigate. There might also be a fruitful investigation of whether the limits of voluntarism, or even post-voluntarism, in skills generation have been reached.

Fundamentally this concerns the amount of resources the country is willing to invest in learning and skills. It may well be that the limits of state funding are being reached in this area. However it is not clear whether employers - the other main possible source of resources and amongst the chief beneficiaries of skills generation - are willing to invest more of their own resources in what remains a voluntarist system. We argue that the kind of demand-led system as outlined in the two Skills White Papers can only be achieved with a range of statutory measures, including some legislative extension of the right to include training in collective bargaining, greater use of 'licenses to practice', even a limited right to paid educational leave perhaps combined with fiscal incentives to employers to train and upskill.

Further to our proposal for an investigation into funding for adult education, we note the recommendation in the Foster Review that: 'The Government should bring together building blocks, of a national learning model spanning schools, FE and HE, and underpinning context and assumptions into a single document which is published on a regular basis. This document should set out greater clarity about what the public purse will support in full, what the public purse will subsidise and what the Government considers individuals and employers might pay for in full.' (p. 88)

We welcome this recommendation. The plethora of initiatives relating to further education and skills is becoming a barrier to FE colleges in being clear about their role. Clarity is much needed.

We concur with the Association of Colleges in its *Manifesto 2005*, in the necessity for: 'a commitment to a national entitlement to adult learning in every community, including courses for those with poor basic skills and courses in maths, English, IT, languages, citizenship and practical crafts in every community in the country. Action is needed to encourage adults who can afford it to devote time and money to learning, At the same time, financial aid is needed to help adults meet necessary childcare, transport and study costs.'

17 Skills[101]

The Leitch Review, interim report

'Skills matter fundamentally for the economic and social health of the UK … But we have considerable weaknesses … Almost half of adults are not functionally numerate and one sixth are not functionally literate. This is worse than our principal competitor nations. Improving our schools will not solve these problems. Today over 70% of our 2020 workforce has already completed their compulsory education.'[102]

Gordon Brown, Chancellor of the Exchequer, 2006 Budget

'Thanks to the national employer training programme 100,000 women workers are gaining skills for the first time.'

' … our aim is a Britain where all young people stay on in part time or full education and training, and gain skills throughout their working lives. 80 per cent of the 2015 workforce is already in the world of work.'

In the UK, the proportion of the population with a degree level qualification, ie higher level skills, has increased from 19% to 26% over the past 10 years. Over the same period there has been a significant decrease in the proportion of people who lack a qualification at the equivalent level to five good GCSEs, from 43% to 23%. But the Treasury-commissioned Leitch Review says meeting the government's targets to improve the UK skills profile by 2010 'will be extremely challenging'.[103]

If the government's current programme for skills improvement is successful, by 2020 the proportion of working age adults without any qualifications will fall to 4%; the proportion without qualifications equivalent to five good GCSEs will fall to 16%; the proportion holding a degree or better would increase to 38%.

But the Leitch Review, interim report, says: 'Even if the Government's current ambitious targets were met, significant problems would remain with the UK's skills base in 2020. At least 4 million adults will still not have literacy skills expected of an 11 year old, at least 12 million will be without numeracy skills at this level … and 6.5 million adults will not have qualifications at the equivalent level to five good GCSEs.'[104]

Projections for the Leitch Review indicate that the proportion of the working age population at 2020 with level 2 (ie low) and level 3 (ie intermediate) qualifications will remain very similar to the proportions in 2005, at slightly over 20% respectively.

The Review has carried out economic modelling to 2020, using more ambitious skills targets than currently used by the government at all three skills levels. The analysis shows that 'investing in the stock of adults with lower level skills has a significant impact on inequality',[105] and could deliver an

additional 0.3% growth to GDP. 'Improving intermediate and higher end skills deliver average annual net benefits of 0.4% and 0.45% of GDP respectively.'[106]

The Leitch interim report concludes: 'There is already substantial effort and investment by employers, individuals and the Government, but it is clearly not enough to deliver the skills improvements that the country needs … the UK needs to be far more ambitious'.[107]

The Foster Review, which reported in November 2005, proposed that further education should place teaching and enhancing skills at the centre of its work. The review said: 'We therefore propose that skills, an economic mission, is the route for FE, but interpreted in line with values of opportunity and inclusion which matter so much to those who work in FE' (p. 22).

In response, the DfES further education White Paper in March 2006 committed the government to the core mission of helping people gain the skills and qualifications for employability,[108] with a particular emphasis on further promoting skills specialisation in colleges. In the latter, the development of the Centres of Vocational Excellence (CoVE) programme will play a key part.

Comment

The UK does relatively well at producing individuals with high-level skills, especially university graduates. It also does so in a cost-effective way. But there is a long tail of underachievement. Despite the recent efforts to reduce the numbers of adults without basic skills in literacy and numeracy, the numbers of adults without these - and the 40% of the workforce without level 2 skills and qualifications - remains. However the principal weakness in the UK skills profile is at technician level, level 3 and above, as has been evidenced in many government reports.

The Skills White Paper published just before the 2005 general election reaffirmed the priority that will be given to remedying the endemic low skills in the UK workforce. These curriculum developments will need to be supported by professional development for staff across the learning and skills sector who will be delivering these new programmes to new learner groups. Changes have cost implications and UCU would argue that for these changes to be successful, they will need to be resourced properly.

Human capital theory would seem to suggest the best course for government policy is to increase the general stock of knowledge and skills within the population and thus seek to gain a competitive advantage when seeking to attract investment. This must be in part by improving the general levels of achievement and attainment of those completing compulsory education, and within that, inculcating a love of learning, and the ability of each individual to manage their own learning. Governments may wish at times to encourage the building of specific skills to meet a particular economic demand. However in

general, given the pace and unpredictability of change, it may be a better course to encourage and support transferable skills and skills of employability. Faced with increasing competition from emerging economies, as well as fellow developed ones, the UK should also build on those skills where it already has a comparative advantage, and those which would seem to underpin any kind of economic and social development, such as those in information and communication technology, innovation, entrepreneurship and enterprise.

We believe that the major skill deficiencies of this country to be and will remain largely at level 3. However it is clear from evidence already collected from many sectors that the growth of jobs in the future will be in professional, managerial and para-professional roles. In the lifelong learning sector a study by the Institute of Employment Studies in 2002 for four of the National Training Organisations that have formed the Lifelong Learning Sector Skills Council found the sector's future employment opportunities to fit this pattern.[109] It will be necessary to increase access to training opportunities in these areas.

However the ability of people to undertake such training will be in part determined by whether they have already acquired sufficient and necessary levels of skills in the underpinning skills of communication, numeracy, problem solving, managing one's own learning and working with others. This means there will be a continuum of demand for skills from the most basic to the highest. It should mean an expansion of both general education, remedial education and training for those who have missed out on their first opportunities to acquire these, as well specific vocational skills.

We believe that if education and training continue on their current course, the UK's future requirement of skills will not be met. The government's rejection of the Tomlinson Working Group's recommendations for a more inclusive system of qualifications will condemn future generations of young people to the same divided and exclusive system of education and training.

Similarly, the UK's adherence to voluntarism in skills building will continue to perpetuate the short term attitude to skills generation by too much of UK industry. The unequal access to and participation in work based learning - with the opportunities going to those who are already well qualified - will remain. This will have a very negative impact on the employment prospects of the least skilled adults, as well as negative effects on the UK's ability to innovate, and to follow innovation with implementation.

We consider that it is necessary and possible to stimulate demand from employers for skills improvements for their own workforce, and also for others not directly employed by them. Employers will be stimulated to invest in training for a variety of reasons: sometimes to improve productivity and thus their commercial advantage over rivals; sometimes by the demands for new products or because of some innovation in production; sometimes because of technological advance. It is also possible for some employers to be stimulated

to assist in encouraging demand from other organisations in their supply chain if this brings with it commercial benefits.

Such employer demand can be stimulated in a variety of ways, including better information on where and how skills training can be obtained, and use of brokers to encourage employer demand for skills. Assistance with some of both the direct and indirect of costs of training would be helpful to some employers, especially small and micro enterprises who may not have either the capacity to train themselves or release employees for training .

However, employer demand requires a longer term perspective which perceives training as an investment, not a drain on profits. Current demand by employers for skills and training for skills is all too often constrained by short term perspectives in much of UK industry, and the dominance of shareholder and managerial perspectives which elevate short term profits and dividends above long term growth, stability and increases in productivity. Positive attitudes towards training could be encouraged and facilitated by government taking a more interventionist role in relation to stimulating demand for training. This could be undertaken through moving from the voluntarist approach to skills and introducing some underpinning legislation, and by introducing further incentives, such as fiscal measures, to reward and encourage to employers who do invest in training.

UCU as the main union representing academic staff in post compulsory education and training is strongly of the opinion that the UK's future skills needs can best be met by skills being produced through the country's education and training system, including its schools, colleges and universities, working in partnership with training providers and employers.

Schools provide young people with the fundamental and underpinning general knowledge and motivation for skills generation in later life. Colleges continue these processes with young people towards the end of - and immediately after - their compulsory education, and supply young people and adults with both specific vocational and more general occupational skills. They also enable adults returning to learn either to equip and/or re-equip themselves with new skills for the labour market. Higher education provides higher level skills, and knowledge through research that can promote innovation. Training providers can deliver niche and specialist training, as well as fill the gaps left by public bodies. Employers can provide job specific training and valuable additional sites for learning.

We consider that the education and training system could be improved by the introduction of underpinning legislation around training and by increased investment in education and training, so that providers can pay decent wages and have proper conditions of service enabling them to recruit and retain committed and high quality staff.

We welcome the growing role of unions in promoting training in the workplace, through the 12,000 trained Union Learning Representatives to date, and look

forward to the Union Learning Academy set up by the TUC to strengthen the ULR network.

18 Prison/Offender Education

Learning for Offenders both in custody and outside prisons has gained recognition and been developed in major ways since 1997. UCU represents the lecturers and education managers who deliver education programmes in prisons. Over recent times, and especially with the development of non-custodial sentencing, there has been a great increase in the number of learning programmes directed at offenders in the community, and ex-offenders seeking to continue their participation in learning on release from prison. Again, many of these programmes are delivered by further education colleges and by UCU members.

Since the early 1990s, prison/offender education has moved from the margins to the centre of both government consideration and the debate around prisons, offending and re-offending and rehabilitation. In that period there have also been great changes in the way that prison/offender education is organised and delivered. It has moved from being a junior part of Prison Services, and under ultimate Home Office responsibility, to being a shared responsibility between the Home Office and the Department for Education and Skills, with a DfES Unit having responsibility for the oversight of education and training delivery in and outside prison (now titled Offender Learning and Skills Service - OLASS). Funding has transferred from being part of the general budgets of prisons under the control of prison governors, to being ring-fenced for learning and now to routed through the Learning and Skills Council.

Until 1993, funding for what was then prison education was through a Home Office grant, largely to local authority adult education services and FE colleges. From 1993 prison education was put out to competitive tendering. Prison education went largely to colleges, some adult education services and some private training providers. Contracts were awarded very largely on price. At the same time as this contracting out, the curriculum of prison education was reviewed.

The prison population has always been an accurate reflection of both the links between poor educational achievement, social exclusion, probability of offending and a host of other actual and proxy indicators for disadvantage, such as ill health, mental illness, truancy and disruptive schooling and very poor literacy and numeracy skills. The changes in the prison education curriculum tried to focus education programmes on remedying these basic skills deficiencies among offenders. However, disruptions in delivery of service due to contracting out, cuts in actual funding, redundancies and crude use of targets, resulted in the destruction of large amounts of excellent education provision in areas of prison education other than basic skills, with few gains in the basic skills of prisoners.

A second round of contracting in 1996 saw prison education delivery in the hands of a relatively small group of colleges and adult education services. The problems of a restricted curriculum were being recognised. From 1997, with the emergence of social inclusion as a major government concern and policy,

prison education has come out of the shadows and assumed a new and more key role in both prison and learning policy.

A series of reports, led by NATFHE and the Association of Colleges,[110] on various aspects of prison education's management and delivery, culminated in publication of the Social Exclusion Unit's report on reducing re-offending.[111] These catalogued the previous poor position of prison education, and re-positioned it at the heart of new policies about the reduction of re-offending and rehabilitation of offenders.

This focus has recently been reiterated and strengthened by the publication of the Green Paper, Reducing Re-Offending through Skills and Employment.[112] This calls for better training and help for offenders to find employment after completion of their sentences, through an increase of £94m in funding for offender learning from 2001-02 to 2005-06, external inspection of prison education, building training into the prison day, more higher education opportunities for prisoners and support from jobcentres. Offender education and training is to be of higher quality than previously and more tailored to individual needs.

The new National Offender Management Service (NOMS) should mean that a single professional can oversee an offender's sentence in and out of custody. Offender education is going to focus on training and qualifications that are more meaningful to employers, alongside new and stronger approaches to help offenders find work. From August 2006 the LSC will assume responsibility for the funding of all offender education in and out of prisons. Offender education will be a priority group in LSC and other government agencies' plans. The new drive around offender education will centre on a new delivery model, the Offender Learners' Campus, which will develop centres' excellence and better links with mainstream education and training.

Alongside the Green Paper must be seen the Government's national strategy to reduce re-offending. The National Reducing Re-Offending Delivery Plan was published by the Home Office in November 2005 and set out the Government's key actions in relation to this over the next eighteen months. The 2010 target is to reduce re-offending by 10%.

UCU fully supports the policies set out in the Green Paper. However for them to be realised there will need to be a considerable expansion in the resources for prison/offender education. This will also have to be spent on redressing certain long-standing problems in prison/offender education.

Among these are:

Recruitment and retention of education staff: prison/offender educators have usually been employed by colleges and ACL services, as these have been the main contractors. The long term problems about the absolute and relative poor levels of post-16 staff pay, and the debilitating effect this has on both delivery and quality, have been made elsewhere in this document. These problems are magnified in relation to prison education. Research by NATFHE has shown that there are contractors who do not pay staff working in prisons the same rates that they pay in mainstream college work. Prison education - given the kinds of learners and the kinds of problems and previous learning experience and achievement they present, and the locations where it takes place - should call for the best and most committed of teachers. Without doubting the quality or the commitment of prison education staff, they need and deserve the best possible pay. There are severe problems about the retention of prison education staff, with some staff moving on to better paid and easier situations outside prisons.

There is also a long standing issue around the recognition of the particular and difficult circumstances of prison education. These circumstances are not recognized in salary rates. Prison educators are the only staff working in prisons who do not receive any recognition of the particular circumstances of prison education either within their main pay or as a special allowance. Prison education staff - as with mainstream college staff, other education and public sector staff - face a demographic time bomb over the next decade, when around 50% of staff will have retired. It will be very difficult to recruit new prison education staff on the current low salaries and in what is likely to be a very tight and competitive labour market. There will need to be a long-term strategy around prison education reward systems.

Conditions of service for prison educators: there are not only issues about pay for prison educators but there are serious problems around their conditions of service. The vast bulk of prison educators are part-time. This is partly because of the vagaries of prison education, where the uptake of learning programmes is very dependent on the particular characteristics of the prison population at any particular time. It is also because of previous uncertainty around the levels of funding for prison education and the stability of the contracting process. The use of part-time staff, although giving flexibility, leads to a fragmented service. Part-time lecturers are largely paid for their teaching time only. Thus this can affect the quality of education and training, as such staff do not receive the same opportunities for professional development and training that full-time colleagues do. Any development and training may have to take place in staff own time. The use of part-time staff also limits the time for curriculum and materials development – a key task in situations where what curriculum materials exist may have to be customised for the particular learners. Because part-time lecturers are usually only paid for their teaching time, they often have to spend a good deal of their own time passing through the necessary security checks. It can take one or two hours for a lecturer to move from arrival at a prison to the actual classroom or workshop.

Contracting: prison/offender education is subject to process of contracting, under the LSC. When contracting was introduced in the early 1990s, the main criterion for successful application was price. UCU considers that this meant that often these initial contracts were set at artificially low prices. Whilst quality is now a much more important component of contracts, we believe that the pricing of prison education has not recovered from the prices established at the start of contracting. There have been three rounds of contracting since it was introduced, with one round stopped before completion. Each round of contracting means instability and uncertainty for education managers and teaching staff. Some of the contracts in the latest round spilt prison education into four separate components, with sometimes different providers winning the different parts. This leads to fragmentation of service and increased bureaucracy, all of which diverts resources from actual teaching and learning. NATFHE repeatedly called for an end to this system of contracting and the restoration of prison education and training work to quality local providers.

Management of prison education: the system of contracting out prison education led to some providers having a number of such contracts. Whilst this has allowed some of these providers to build up considerable expertise in the delivery of prison/offender education, it has also resulted in some cases of considerable physical distance between the contractor and the establishment where delivery is taking place; in some cases over 100 miles between the two. This cannot lead to effective and efficient management.

Plant and equipment: if prison education is to meet the goals set out in the recent Green Paper, then there will need to be considerable new investment in both the plant and the equipment that it has at its disposal. Too many prisons date from the nineteenth century, and the buildings used by prison education are often those that no-one else wants. They can be unsuitable for teaching and learning and often not accessible to those prisoners with mobility problems. Equipment is often old and out of date. If prison education is to produce ex-offenders who can enter the job market on release, then the equipment in prison education facilities and training workshops needs to be modern and to industry standards. If the Offenders' Learning Campus is going to be made a reality over the next ten years, then plant and equipment must be of the highest possible standard.

Information and Communications Technology (ICT): clearly there are many complex issues surrounding the use of ICT in prisons, not least security. Over recent years there have been a number of initiatives around ICT use in prisons, and it has shown that many of the issues around ICT in prisons can be resolved. As with other equipment there is an imperative that ICT is used to its fullest extent as a teaching and learning tool in prisons. This is partly to allow prisoners to develop their ICT skills for employment on industry-standard equipment, but also the use of ICT would allow prisoners to access a wide variety of learning and study materials and so overcome the deficiencies of the prison library service.

Another issue that urgently needs to be remedied around ICT in prison

education is the use of ICT as a management tool. One of the problems of prison education is the rapid movement of prisoners around the prison system. If they have embarked on learning programmes, all too often their records do not follow them from prison to prison. This means they are subject to repeated identical assessments of their learning needs, which is wasteful and frustrating. The NATFHE-AOC research referred to above found that some 70% of prison education managers reported that they sent on prisoners' education records but only 30% reported that they received these! ICT has long been seen as the solution to this, and for almost as long ICT equipment has been promised. It is essential that these promises are at last made good.

Curriculum: it has become axiomatic that offenders have lower educational achievement than the general population. 30% of offenders regularly truanted from school, compared with 2% of the general population; 49% had been excluded from school, compared with the figure for the general population of 1%; 37% of offenders had a reading ability below level 1, compared with the general population figure of 10%; 52% of offenders had no qualifications, compared to a general population figure of 15%. Clearly there is an overwhelming need to make good these deficiencies. However, over the last decade the prison/offender education curriculum has at various times been largely limited to a core curriculum of literacy and numeracy. The narrowness of this was further compounded by crude use of targets. Although the curriculum has expanded again in recent years, it is essential that a wide and varied curriculum is on offer to offenders. Such a wide curriculum can mean that other subjects and interests can become vehicles for literacy and numeracy. Offender learning must not be a narrow and constricted curriculum, but offer many and varied pathways in learning.

IAG (information, advice and guidance): The government's ambitious plans for prison/offender education - placing this at the core of rehabilitation and reducing re-offending through enhanced skills and job search and placement - will not be fulfilled without good and robust IAG. This needs to be linked to accurate assessment of the offender's educational level, both at the start of and throughout sentences, and linked to IAG in prisons and in the outside community, so offenders can map out their learning journey towards employment and rehabilitation. It is especially important to get the IAG correct just before prisoners are released from custody, so there is as little a break as possible in learning in and out of prison.

Libraries: good library facilities are essential for good learning. Prison libraries have suffered from under-resourcing for years. They have to accommodate a wide range of purposes and uses of which supporting learning is just one. This is one of the reasons why access to ICT would be so important for prison education. There has recently been discussion of more links between local authority library services and prison libraries. This needs to be fully developed, and will need to be resourced in the future.

Staff development: staff development is a key to meeting the challenges of mainstream post-school education and offender education. Those involved in the latter have to be involved in two sets of professional development: one

relating to their educational and pedagogical work, and one around the particular circumstances in which they work. In prisons, education staff need training in 'jail craft', and around security issues. Yet because of the physical distance that there often is between the educational provider and the actual site of teaching and learning, some prison educators do not get access to the professional development that their employing institution may provide. In addition, they may also not have the same access to prison service training because they are not mainstream prison staff. Those prison education staff that are employed by colleges and local authority services will be subject to the same requirements for professional qualification as mainstream staff, but the circumstances of their employment may make take up of opportunities difficult. It is likely that prison education staff not employed by colleges will be subject to the same professional requirements. Continuing professional development for those working in offender education must be funded properly with sufficient paid time off to study. CPD must not be an add-on to existing workloads.

Pay for education: one of the barriers to prisoners taking up education opportunities is that the rate of pay for attending classes is much less than that for undertaking work opportunities in the prison. As such opportunities are the only ones for payment this is a strong disincentive to take up education classes. It is imperative that the payment rates for education activities are similar to those for work in prisons.

Expansion in and out of custody: one of the greatest threats to the improvement of offender education is the inexorable rise in numbers of prisoners. The UK has one of the highest percentages of people in prison for developed countries, with the exception of the USA. This continuing rise in prison numbers always threatens to swamp the resources available for prison education. Funding in the future must keep pace with the rise in prison numbers. The government is introducing a number of reforms to reduce the numbers of offenders ending up in custody. There are various schemes planned for more offenders to service sentences partly and wholly in the community. It is intended that many of such offenders serving their sentences in the community will be linked to active learning programmes. These are to be organized by NOMS and funded by the LSC. They will involve colleges and voluntary organisations. Again it will be essential that this work is properly funded with adequate resources for CPD that staff teaching on these programmes will need.

19 Demographics

Although the pace of demographic change varies slightly among the four countries of the UK, the number of people aged 15-29 in the UK in the period 2004-8 will continue rising, and then fall by about 2% in the decade following 2008, with much sharper falls at the younger end of the spectrum. The impact of the fall in numbers of young people in 2008-18 will presumably be felt first in the further education sector, and then slightly later in higher education.

England

The overall numbers of people in England aged 15-29 will continue rising to 2008, then fall slightly in the decade following 2008. In the period 2004-8, the number of 15-19 year-olds in England will increase slightly, while there will be approximately 10% increases in the number of 20-24 year-olds and 25-29 year-olds. In the period 2008-18, the number of 15-19 year-olds will fall by 12%; there will be a slight fall in the number of 20-24 year-olds, and an 11% rise in 25-29 year-olds.

England, 15-29 year-olds

England					
Ages	2004	2008	2018	2004-8	2008-18
	thousands	thousands	thousands	% change	% change
15-19	3,261	3,308	2,928	1.5%	-11.5%
20-24	3,172	3,469	3,362	9.4%	-3.1%
25-29	3,104	3,399	3,773	9.5%	11.0%

Source: Government Actuary's Department, 2004-based projections. Percentage calculations by AUT

Wales

The overall numbers of people in Wales aged 15-29 will continue rising to 2008, then fall slightly in the decade following 2008. In the period 2004-8, the number of 15-19 year-olds in Wales will increase slightly, while there will be an 8% increase in the number of 20-24 year-olds, and a 14% rise in 25-29 year-olds. In the period 2008-18, the number of 15-19 year-olds will fall by 14%; there will be a slight fall in the number of 20-24 year-olds, and a 14% rise in 25-29 year-olds.

Wales, 15-29 year-olds

Wales					
Ages	2004	2008	2018	2004-8	2008-18
	thousands	thousands	thousands	% change	% change
15-19	199	202	173	1.7%	-14.2%
20-24	186	201	194	8.2%	-3.7%
25-29	156	177	201	13.7%	13.6%

Source: Government Actuary's Department, 2004-based projections. Percentage calculations by UCU

Scotland

The overall numbers of people in Scotland aged 15-29 will continue rising slightly to 2008, then fall by 7% in the decade following 2008. In the period 2004-8, the number of 15-19 year-olds in Scotland will decrease slightly, while there will be a 6% increase in the number of 20-24 year-olds, and an 11% rise in 25-29 year-olds. In the period 2008-18, the number of 15-19 year-olds will fall by 17%; there will be an 8% fall in the number of 20-24 year-olds, and a slight rise in 25-29 year-olds.

Scotland, 15-29 year-olds

Scotland					
Ages	2004	2008	2018	2004-8	2008-18
	thousands	thousands	thousands	% change	% change
15-19	328	326	272	-0.6%	-16.5%
20-24	325	345	316	6.0%	-8.3%
25-29	291	323	333	10.9%	3.0%

Source: Government Actuary's Department, 2004-based projections. Percentage calculations by AUT/Nathfe

Northern Ireland

The overall numbers of people in Northern Ireland aged 15-29 will rise by 5% to 2008, then fall by 6% in the decade following 2008. In the period 2004-8, the number of 15-19 year-olds in Northern Ireland will decrease slightly, while there will be a 12% increase in the number of 20-24 year-olds, and a 9% rise in 25-29 year-olds. In the period 2008-18, the number of 15-19 year-olds will fall by 14%; there will be a 10% fall in the number of 20-24 year-olds, and an 8% rise in 25-29 year-olds.

Northern Ireland, 15-29 year-olds

NI					
Ages	2004	2008	2018	2004-8	2008-18
	thousands	thousands	thousands	% change	% change
15-19	133	129	111	-3.3%	-14.0%
20-24	117	130	117	11.6%	-10.2%
25-29	107	116	125	8.5%	7.5%

Source: Government Actuary's Department, 2004-based projections. Percentage calculations by UCU

Comment

Given the importance of further and higher education to the development of the skills and knowledge needed by young people, we urge the government to maintain the numbers of students in both sectors in the decade from 2008. Although numbers of young people are projected to decrease in the decade to 2018, we consider it would be a mistake simply to maintain the percentage of young people in further and higher education. Maintaining the proportion of

those participating in further and higher education would imply a cut in the numbers of learners and students. This would be a retrograde step at a time when the sort of skills and knowledge being learned in further and higher education will be more – not less – important to the economy and society, particularly given the Chancellor's goal of making universal education or training available to the age of 18. As the government's 2005 14-19 Education and Skills white paper said: 'Numbers staying on post-16 have improved but are still too low far down the international league table.' Following on from this came the target of increasing participation at age 17 from 75% to 90% over the next 10 years.[113] To achieve this will require significant additional investment to 2015.

20 Learners and students

Further education

In England, full-time learner numbers in further education have dipped, but in 2003-4 were back to their level in 1997-8; there has been a significant growth in part-time numbers. Full-time equivalent learner numbers in FE sector colleges in England have fallen fairly consistently since 1997-8. In Wales, full-time learners fluctuated around the 45,000 mark in the period 1998-9 to 2002-3; part-time numbers have grown considerably. In Scotland, there was significant growth in both modes of attendance in 1998-9 to 2002-3. In Northern Ireland, numbers of part-time and full-time learners have stayed fairly constant.

Further education, home and overseas students, UK

	England FE in sector colleges	England (LSC only)*		Wales		Scotland		Northern Ireland	
	FTE	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
	000s	000s	000s	000s	000s	000s	000s	000s	000s
1994-5	946								
1995-6	1,023								
1996-7	1,050								
1997-8	1,010	937	2,510						
1998-9	1,010	903	2,413	43.9	162.4	37.0	253.6	20.6	55.8
1999-0	983	872	2,374	45.3	181.5	38.2	273.7	20.7	57.3
2000-1	955	851	2,552	44.6	186.2	41.3	313.8	20.7	57.3
2001-2	979	882	2,986	45.0	210.0	45.1	345.0	21.4	58.4
2002-3	945	928	3,270	44.8	213.7	46.0	329.3	21.5	54.0
2003-4		931	3,184	44.8	214.7	47.8	304.8	23.7	75.7

* 2003-4: Further education institution figures for England include LSC funded students only and are not directly comparable with previous years prior to 2002-3.
LSC: Learning and Skills Council; FTE: full-time equivalent
Source: England: DfES departmental report (series), Foster Review, 2005; Rest of UK: National Statistics, Education and Training Statistics for the United Kingdom (series)

Comment

It is a matter of concern that full-time equivalent further education learner numbers in England have fallen consistently since 1998-9. We urge the government to aim to maintain and increase levels of participation in further education. This will be necessary given the Chancellor's goal of providing universal education or training for young people to the age of 18.

Higher education

Total UK student numbers between 1997-98 and 2004-5 rose by 27%. Within that total, the smallest increase was in full-time undergraduates, and the largest was in part-time undergraduates and full-time postgraduates, both rising by slightly more than 50%.

UK HE students 1997-2005

UK HE students	Full-time u/grad	Part-time u/grad	Full-time p/grad	Part-time p/grad	Grand total	Grand total FTE	Grand total FTE: % change
1997-8	1,022,606	390,457	143,521	243,480	1,800,064	1,483,096	
1998-99	1,032,897	409,520	146,367	256,973	1,845,757	1,512,511	2.0%
1999-2000	1,027,400	420,310	151,330	257,290	1,856,330	1,517,530	0.3%
2000-01	1,037,880	504,045	172,285	276,410	1,990,620	1,600,393	5.5%
2001-02	1,069,210	547,020	186,345	283,505	2,086,080	1,670,818	4.4%
2002-3	1,111,310	566,305	206,755	290,745	2,175,115	1,746,590	4.5%
2003-4	1,141,850	581,760	220,395	303,435	2,247,440	1,804,843	3.3%
2004-5	1,165,445	588,665	226,060	306,575	2,287,540	1,839,125	1.9%
1997-8 to 2004-5 % change	14.0%	50.8%	57.5%	25.9%	27.1%	24.0%	

u/grad: undergraduate; p/grad: postgraduate; FTE: full-time equivalent.
Source: HESA, Students in higher education institutions (series); percentage calculations by AUT. A factor of 0.5 was used in calculating the full-time equivalent.

Comment

We support the continued expansion of UK higher education, particularly with the emphasis on widening socio-economic class participation, but we are concerned that expansion should be adequately resourced.

21 Widening participation

Further education

General further education colleges have a higher proportion of their entrants from lower socio-economic groups (34%) compared with 25% in Sixth Form Colleges, and 21% in maintained schools.[114] As the Foster Review says: 'FE colleges have a strong commitment to social inclusion and inclusive learning … They have been particularly successful in helping to achieve government targets for basic skills and have an increasing role in learning for offenders both in custody and in the community. As a result they attract a higher proportion of disadvantaged learners than the local population average.'[115]

FE colleges deliver higher education programmes to well over 100,000 adults, usually on a part-time basis. They are also taking a leading part in developing foundation degrees and widening participation to higher education current initiatives in the sector. The government's target for 50% of all those under the age of 30 having a higher education experience by 2010 will only be met if FE colleges continue to play a significant and growing part in delivering HE programmes.

There is a strongly two-fold focus to the further education sector in Scotland, with its 'fundamental importance to driving forward both our skills and social justice agendas'.[116] Nicol Stephen, Deputy First Minister and Minister for Enterprise and Lifelong Learning, said in 2005: 'We ask colleges to be at the forefront of preparing people for complex jobs in an increasingly competitive labour market. At the same time we ask colleges to reach deep into our most disadvantaged communities, bringing opportunities, encouragement and self esteem to people who might never before have aspired to further education and training.'[117]

Comment

It is crucial that FE colleges are adequately resourced to undertake the widening participation mission, one which will continue and grow, given the likely demand for education and skills over the next decade. Staffing levels need to reflect the extra demands which involvement in widening participation bring with them.

There is a risk that the decision by the DfES, in the 2006 further education White Paper, to follow the lead of the Foster Review and prioritise skills for employability, may undermine some areas of the widening participation programme in further and adult education, particularly by making colleges focus strongly on learners to the age of 25, and in diverting resources from adult and community learning to the skills imperative. Nevertheless, the White Paper says: 'This strong focus on economic impact does not come at the expense of social inclusion and equality of opportunity – the two reinforce one another.'[118]

UCU urges that higher education be of good quality and similarly resourced wherever it is delivered.

Higher education

There is a gulf in class participation in higher education between those from the higher and lower social classes.

While the proportion of young people from social classes I, II and III (non-manual) participating in higher education rose to 50% by 2001-2, the proportion of young people from classes III (manual), IV and V in higher education had only reached 19% by 2001-2. Between 1991-2 and 2001-2, the higher social class participation rate rose from 35% to 50%, an increase of 15 percentage points; over the same period, lower social class participation from from 11% to 19%, and increase of 8 percentage points.

Social class participation in higher education, Britain

	Social class I, II and III (non-manual)	Social Class III (manual), IV and V
	%	%
1991/92	35	11
1992/93	40	14
1993/94	43	16
1994/95	46	17
1995/96	47	17
1996/97	48	18
1997/98	48	18
1998/99	45	17
1999/2000	45	17
2000/01	48	18
2001/02	50	19

Source: Department for Education and Skills; published in Social Trends 34: 2004 edition, p45.

The table below measures what proportion of students in HE are from which social classes (the age participation data in the previous table measure proportion of young people in the population from each social class going to HE).[119] In 1997-8 to 2001-2, the proportion of students in UK HE from lower social classes (IIIM, IV and V) remained unchanged. The adoption of the new National Statistics socio-economic classification from 2002-3 increased the proportion of students in HE from lower socio-economic groups (4: Small employers and own account workers; 5: Lower supervisory and technical occupations; 6: Semi-routine occupations; 7: Routine occupations) from 26% to 29%, but this increase may reflect the change in methodology rather than a genuine growth in the proportion of working-class students in UK higher education. Since 2002-3 the proportion of students from working-class backgrounds has stayed unchanged.

Proportion of young full-time undergraduates from a disadvantaged background, UK

	England	Wales	Scotland	NI	UK
	%	%	%	%	%
1997-8	25	27	24	34	26
1998-9	26	27	24	34	26
1999-2000	26	27	25	34	26
2000-01	26	27	25	33	26
2001-02	26	28	25	34	26
2002-03	28.6	30.5	29.6	41.6	29.2
2003-04	28.8	30	27.5	42.8	29.2

Young = aged under 21 at 30 September of the academic year in which they are recorded as entering the institution
Disadvantaged = from socio-economic groups 4: Small employers and own account workers; 5: Lower supervisory and technical occupations; 6: Semi-routine occupations; 7: Routine occupations
Source: Performance indicators in higher education, published by HEFCE to 2001-2 and by HESA from 2002-3; data are from Table T1b 'Participation of under-represented groups in higher education – young full-time undergraduate entrants'

Public spending on widening participation

Since 1997, public spending in England on supporting widening participation through Access Funds to help students in financial hardship, and through recurrent allocations by HEFCE to HE institutions, has grown from £22m to £410m in 2006-7 – a total spend of more than £2bn over the period.

Public spending on WP, England

	DfES access funds*	HEFCE recurrent funding for WP**	Total
	£m	£m	
1997-8	22		22
1998-9	39		39
1999-00	82	18	100
2000-1	87	25	112
2001-2	88	36	124
2002-3	97	47	144
2003-4	98	265	363
2004-5	78	273	351
2005-6	74	277	351
2006-7	66	344	410
Total	731	1285	2016

* as indicated in DfES annual report 2005 table 12.2, and DfES reports for preceding years
** annual HEFCE circulars on grant allocations

Comment

We strongly support the government's policy of widening participation in higher education. But despite prioritising this in recent years, there has to date been little impact on admission to higher education in terms of social class. We note the comment of the Secretary of State for Education and Skills in her 2006 grant letter to the Higher Education Funding Council for England, where,

referring to widening participation in HE for people from low income backgrounds, she said: ' … in spite of the recent progress we have made we do not perform well enough. Low rates of participation in HE among the lowest socio-economic groups represent entrenched inequality and in economic terms a waste of human capital.'[120]

We are aware that widening participation depends closely for success on long-term improvement in pupil achievement in schools and further education. We urge the government over the next decade to effect a deep-rooted improvement in educational attainment, to enable higher education institutions become places which more closely reflect the make-up of the UK population. To this end we welcome the funding being put into the Aimhigher programme, and urge that in relation to improving aspiration, attainment and applications to HE, the government continues to promote partnership working between HEIs, FECs, schools, employers, parents and community groups, rather than a model of inter-institutional competition.

However, we also recognise that HE providers themselves have a key role to play in outreach and curriculum change, mode of provision and effective student support, in order to facilitate student retention and success. To this end it is vital that institutions are not disadvantaged in terms of funding or prestige by taking a high share of less academically well-prepared students or by offering flexible and part-time provision. Whilst we welcome the increase in the widening participation premium paid to institutions, and initial changes in support for part-time students, the premium is still too low, and the funding model still penalises students (and their institutions) who do not progress according to a rigid and increasingly outdated model of a full-time, three-year degree. Above all, such institutions and their students must not be disadvantaged by a funding regime that relies more and more heavily on rising fees and rising levels of student debt (see next two sections)

22 Tuition fees

Further education

We strongly welcome the announcement in the 2006 Budget that tuition in further education will be free of charge for 19-25 year-olds from 2007-8 for a first full level 3 qualification. This marks a major step towards improving the skills of young people and making our education system more inclusive.

However, the government is raising adult education tuition fees, with the goal of moving to a fee assumption of 37.5% by 2007-08 and up to 50% in the longer term. The Secretary of State for Education and Skills has said: 'Public funds alone cannot afford to pay for the scale of training required to meet our economic goals. Nor should they. Adult learners and their employers benefit substantially from many qualifications.'[121] And: '…it is right to ask for an individual contribution and the employer contribution where appropriate to post level two training.'[122]

Comment

Our policy is that fees for learning programmes should be set at such a level as to not act as a barrier to participation to any learner. We believe that this should be the underpinning principle behind any changes to both the imposition of income generation targets on providers and on the proposals to raise fees on level 3 programmes and above.

We completely support the contention that employers should pay more for training. However, the history of vocational training in this country demonstrates their reluctance to do so. We are not convinced that without statutory backing, employers and especially small and medium employers will be prepared to pay more for training. We would argue that there is also scope for fiscal measures to encourage employers to engage in training. Although employers spend a significant amount on training, much of this is on in-house company-specific training and uncertified short courses, and on employees with existing high-level qualifications (e.g. degree-qualified managers). Colleges may be able to increase their share of employer fee income but this will depend on changes in employer behaviour

We would also argue that the relatively low contribution made by fee income towards college budgets is, at least in part, because of colleges responding to the priority given by government over the last decade, to addressing the skills needs of disadvantaged learners, most of whom pay no fees for tuition. If the amount of income to be raised by colleges is to increase significantly, this may mean a change in the social composition of college learners. Currently 29% of college students comes from the 15% most disadvantaged wards.

The proposals to raise fees for learning programmes at and above level 3 is not based on any known evidence as to the impact of this on demand for learning programmes by individuals and employers. If demand drops as a

result of the cost of programmes increasing, this may endanger the supply of level 3 programmes. This may mean in the near future there may be a lack of provision at this level that those working towards level 2 qualifications could progress to.

We are also concerned about the differential impact of the proposals on part-time and full-time adult learners. An increase in fees might be bearable for a programme of 20 or even 60 hours, but would it be for a full-time programme of 450-plus hours? The introduction of a credit framework for adult learning to assist learners taking smaller 'bites' of learning could also impact negatively on the costs of courses, as the level 2 entitlement is limited to full-time programmes. Thus those taking the small steps may end paying more.

We are particularly worried about issues around equality. Some groups of adults who are seeking qualifications to overcome disadvantage in the labour market - such as women returning to work who may have level 2 qualifications which are now out of date - will fall outside the priority groups, and so have to pay the increased fees. Similarly there are members of black and minority ethnic communities facing discrimination in the labour market who require higher qualifications to find any kind of employment.

Higher Education

In 2006-7, full-time undergraduates in England and Northern Ireland will become eligible to pay variable top-up tuition fees to £3,000 after graduation. Top-up fees to £3,000 are being introduced in Wales in 2007-8, although Welsh-domiciled HE students studying in Wales will receive a grant to offset the fees. Top-up fees are not being introduced in Scotland, although tuition fees for non-Scottish domiciled students are being increased from 2006-7 to enable Scottish HEIs to keep pace financially with the rest of the UK.

Comment

Our policy has consistently been to oppose tuition fees for full-time undergraduates, and to argue the case for sufficient funding to be made available from general taxation, and contributions by employers.

We are very concerned about the impact of variable fees on full-time students, particularly those from a disadvantaged background. Research commissioned for Universities UK and the Higher Education Funding Council for England, and carried out in 2002 across the UK, found that while the majority of students surveyed took a 'pragmatic view of debt', the groups most tolerant of debt were younger students, white students and those from the highest social class. Conversely 'the groups more likely to be worried about debts building up, and thinking that financial difficulties had negatively affected how well they did at university were: older students; single parent students; those from lower social classes; and those who worked during term-time'.[123]

Although means-tested measures to support students financially are being put in place, we are concerned that the levels of debt students are predicted to

have when they graduate, of around £15,000,[124] will be a serious disincentive to participation in higher education, particularly for those students from the socio-economic groups for which the government would like to widen participation. We note too that other research has found that students in Scotland – which has opted for a single graduate endowment payment, rather than up-front or variable tuition fees payable by graduates – were likely to graduate in 2004-5 with £2,740 less debt than their English or Welsh counterparts in 2002-3.[125]

We urge the government to consider additional financial support for undergraduates.

Although variable top-up fees are now being introduced in England, Wales and Northern Ireland, we are committed to campaigning alongside the National Union of Students against any increase in top-up fees beyond the current £3,000 cap in 2010.

The announcements in autumn 2005 of some additional funding for part-time student support, and for funding for part-time provision in institutions, was a welcome recognition that this group of students was forgotten in the 2004-5 legislation on fees and student support. However it did not go far enough. Part-time students will have to pay their fees up-front, rather than defer them, regardless of how high fees rise, and they still get less pro rata support than full-time students. At the same time, institutional funding is still based on a model of full-time progression through a three-year degree.

Part-time students are the fastest growing undergraduate group within English HE, and form a steadily increasing proportion of the student population. Their numbers will continue to grow – and must grow if the country's education and skill needs are to be met. According to 'The Missing Generation' – a report published by City and Guilds in 2005 – young people's presence in the workforce will shrink from 16% to 11% by 2020. There is an urgent need to address the education and training needs of adults already in the workforce, and this is most likely to be achieved through affordable and accessible part-time higher education.

Part-time students are more likely to be both mature and female – and this is true in relation to foundation degrees, where full-time students tend to be young males, and part-time mature females, as well as in relation to degree students. At the same time, part-time students are a good economic investment. HESA figures published in July 2005 show that only 3% of part-time students were unemployed in the year following graduation, compared to 7% of full-time students.

Whilst some part-time students are funded by their employers, significant numbers are not. Institutions will not be able to raise fees for part-time students in line with those for full-time students, given the less generous arrangements for fee and maintenance support.

Whilst much has been made of the apparent success of a variable fees market elsewhere – for instance in the USA - recent studies show that rising fees and levels of student debt are having an adverse impact on retention and rates of completion, with the gap between high and low income students widening sharply over the last 25 years in relation to time taken to graduate.[126]

Long-term research conducted at state level in the US has also shown disturbing correlations between the deterrent effects of debt on higher education study and family income, and the impact on other areas such as the housing market, as student debt shifts into the private sector.

In both the US and Australia, there is also mounting evidence that even where rising fees and debt do not deter low-income students from entering HE per se, they impact on choice of institution and course of study, giving poorer students far narrower access to HE-level study.

23 Learner and student support

Further and adult education

Traditionally there has been little financial support for post-school learners outside of HE to pay either course fees, other support costs and maintenance. We welcome the announcement in the 2006 Budget of the right to free learning to the age of 25 and to a first full level 3 qualification, backed by adult learning grants to help with costs of living.

Although 16 to 25 education is now free for a first full level 3 qualification, adult learners have had to rely on a variety of sources of financial support for their studies. The unemployed and those on various benefits have enjoyed full remission of course fees in further and adult education. Colleges and institutions have had the right to remit all or part of the fees for those whose financial circumstances have acted as a barrier to participation. Many have been very generous with their fees policies - often to widen participation and sometimes to beat the competition. Since the incorporation of colleges, this has meant some financial loss, as course fees are assumed to cover at least parts of the costs of provision. The Learning and Skills Council, since its inception, has assumed that college fees represent 25% of the costs of delivery.

The government's declared policy is to change the balance of who pays for learning between the state, the employer and the individual. As research has shown that those with higher qualifications enjoy considerable wage premiums, the government has decided that public funds for post-school education and training should be directed at certain priority groups who have benefited least from previous educational experiences, have few qualifications that command a wage premium and who cannot be expected to invest heavily in their own learning, especially as any economic benefit from so doing would be fairly long-term.

Nevertheless the extension of free training to young people to level 3 up to the age of 25, still leaves large numbers of adults with level 3 qualifications and above - or their employers - increasingly expected to make a larger contribution to any learning. The fee assumption for those with level 3 qualifications and above has now been raised to 37.5% of the costs of a course, and the stated intention is to raise this assumption to 50%. To make the policies stick, the LSC has introduced individual fee income targets for colleges.

In adult and community learning, although the government has guaranteed a minimum national funding and some provision in every area, it now distinguishes between what it terms 1st Steps Provision - from which the learner is expected to progress to a programme leading to a qualification - and learning for personal and community learning, which is unaccredited. There are resources for this but they are limited, and learners - especially those with level 3 and above qualifications - are being expected to pay more, in some

areas a lot more, for their learning. Any fee remission has to be funded by the provider/authority from the general resources available to it. So too generous remission of fees can lead to a diminution in the programme offer. There must be concerns as to whether the rise in fees will impact negatively on adult participation in learning. Many employers have had a poor record paying for training, and it is unlikely that higher fees are going to help change this. The learners most likely to be adversely effected by the rise in fees are those in low waged employment. They are ones most likely to be participating in level 3 learning programmes, but also the least likely to be able to afford higher fees.

There are two mains ways that resources could be extended for adults:

- extending the entitlement to learning programmes, by extending the age for any level 3 entitlement from 25 to 30, and/or by extending the entitlement where there are regional/sectoral skills gaps at level 3 and above;

- introduction of income related loans to cover fees, as in HE.

Fees are one component - albeit a very important one - in the financial sums involved in learning. There are other key costs that the learner has to meet as part of their studies. These include:

- transport costs
- materials
- equipment and special clothing
- childcare costs
- maintenance

The position of financial support for young people has improved over recent years, especially with the national roll-out of income-contingent Educational Maintenance Allowances for 16-19 year olds. As national experience of EMAs grows, it will be important to analyse, evaluate and interrogate this to see what has worked, what could be improved and if more targeting is needed. The amount of EMA needs at least to keep abreast of inflation, if it is not increased in real terms.

Learner support for adults is a very different picture. Currently there are various forms of financial learner support, none of which are particularly successful. These have evolved separately with a variety of different delivery mechanisms; they don't represent a coherent system.

The major elements of financial support are:

- Learner support funds (LSF) including access, childcare, residential bursaries. There is national guidance but local flexibility. Criteria are focused on need especially financial. These funds are administered by colleges. The LSF budget in 2003-04 was £96.5m and supported 200,000 learners.

- Adult Learning Grant (ALG): for disadvantaged adult learners. We welcome the £11m provided for ALGs in the 2006 Budget. They have been piloted and there will be national coverage by 2007-8.[127] It may well be that with the entitlement being extended to level 3 for that age cohort, the ALG may be taken up by older learners. However at £30 per week, it is not sufficient to support a family if the principal wage earner is the learner.

- Career Development Loans (CDL): these are commercial loans with eligibility based on the course and ability to repay. Banks have the final decision. There is significant take-up for qualifications above level 3. Public subsidy goes to the cost of loan repayment postponement. The budget 2003-04 was £14.8m, for more than 17,000 learners.

- Learner Accounts for those undertaking level 3 programmes: these are being trialled.

- There is a range of other arrangements, including bursaries to adults on residential courses in specialist colleges.

Comment

The change in FE fees for adults, especially for higher level courses, means there will need to be close links to fees reform and forms of learner support. They have to be mutually reinforcing, so learner support is effective and targeted to help facilitate access to those most in need. The level 2 and level 3 entitlements may mean more demands on the learner support finance. Yet the national fee assumption increase may also mean that some may need more help than before.

Over the medium term, learner support will need to be better focused on discretionary funding, especially that supporting Skills Strategy priorities. It will need to be geared to increasing numbers completing and succeeding. The higher fees for those outside priority groups must not be a serious access barrier. What will be required is a coherent easily understandable system that provides information about the range of available financial support, and speedy assessment of support in specific circumstances without unnecessary bureaucracy.

The Learner Support Funds currently are the main source of financial support currently. The criteria for its allocation is primarily financial need. In the future, Skills Strategy priorities will mean there are more learners receiving support, so they should need less from discretionary assistance. However there may be more demand from learners outside the priority areas who are low-waged and low-skilled.

Even within the context of the Government's rebalancing of contributions and prioritising public funding to the most needy, there will remain individuals who need assistance to pursue their choices in learning. One way may be to

support those already qualified learners through loans, especially where the rate of return from additional qualifications is high. The current Career Development Loans scheme could be developed to better support the Skills Strategy. There are a number of options, including a tiered system of support loans, with a sliding scale to help priority groups. Loans could - and perhaps should - be limited to those undertaking training with providers assessed by LSC Quality Assurance processes.

At present all schemes for financial support for adult learners are administered separately. There would be clear advantages in linking their administration. Over the long term, there should be a move to develop a system where learners need supply their details only once. One system could assess a learner's previous learning career - including qualifications, learner financial means, whether they automatically eligible for financial support and/or whether they are eligible for any discretionary support. This would best be linked through a Unique Learner Number.

Higher education

In England in 2006-7, means-tested maintenance grants will be available for full-time undergraduates, up to £2,700. Maintenance loans will be available up to £6,170, and fee loans will be available up to £3,000. In Wales, Welsh-domiciled students choosing to study in Wales will be eligible for a £1,800 tuition fee grant from 2007-8. The Welsh Assembly learning grant will provide maintenance support of up to £2,700 for eligible Welsh students. Maintenance loans will be available. From 2007-8, a national bursary scheme will be introduced for students attending HE institutions in Wales. Scottish-domiciled students studying in Scotland get means-tested loans towards living costs. Young students from low-income families receive part of their living cost in the form of a non-repayable bursary (maximum in 2005-6: £2,395)

In October 2005 the Department for Education and Skills announced that the maximum financial support for part-time students in higher education in England, studying at 50% intensity of a full-time course, would rise from £590 to £750 a year. Maximum support for students studying at 75% intensity would rise from £885 to £1,125 year. Means-tested course grants are available for eligible students to a maximum of £250 a year. In November an additional package of £40m for 2006-7 and 2007-8 was announced to widen part-time participation among the most under-represented social groups in higher education.

In higher education, commentators from the sector agree that highly variable levels of bursary and scholarship support will impact both on students and institutions.

Pam Tatlow, Chief Executive of Campaigning for Mainstream Universities (CMU), commenting on the first annual report from OFFA, said: 'The report confirms that some students will receive ten times more bursary support each year than others with the same family income depending on where they study. This is an inevitable consequence of the market which the Government

promoted by its support for variable bursary schemes rather than a national scheme and by ignoring warnings that many universities which were already excellent in widening participation, would inevitably have more students entitled to support.'

It is clearly in the interests of students that equitable support arrangements are on offer, and this is something the HE sector is not necessarily averse to. Giving evidence to the House of Commons Education and Skills Select Committee, in February 2005, Professor Driscoll, Vice Chancellor of Middlesex University, commented: 'The Russell group [of research-intensive universities] are prepared to agree that the grant should be top-sliced for the whole system in order to provide for a national bursary system. The estimates I have … show that as much as 50% of the additional fee income will get diverted into bursaries and, secondly, that administrative costs could run to as much as three-quarters of a million [pounds]. This is iniquitous and it just adds to the problem of the diversity of funding that seems to be part of the current higher education system.'

Comment

Support arrangements must also encompass part-time students on an equitable basis – particularly if the government's 50% target is to be achieved. As previously stated, part-time students currently get less support on a pro-rata basis, and none at all if they study for less than 50% of a full-time course. Combined with the fact their fees are payable upfront, there is a significant bias in favour of full-time study.

24 Staffing

Further education

Foster Review, 2005

'The workforce, managers and leaders face many challenges. Many people who contributed to the Review were concerned about the workforce's age profile – almost a third of the workforce is over 50 – particularly in relation to its impact on the ability of FE colleges to attract new younger recruits and portray a dynamic image. Furthermore, improving the diversity of the workforce is a priority: for example only 6% of the workforce is known to be from black or minority ethnic groups compared to 14% of learners. And there are even fewer people from black or minority ethnic groups amongst college leaders and managers, with less than 2% of principals coming from black or minority ethnic backgrounds … None of the organisations supporting workforce and leadership development have black or minority ethnic staff in senior management positions. Since the Commission for Black Staff in FE reported in November 2002, a range of initiatives and activities have been implemented including the development of a new Race Equality Standards for FE and the Black Leadership Initiative. More needs to be done.'[128]

According to the 2005 report by Lifelong Learning UK, Further Education Workforce Data for England, there were 233,343 staff employed in further education in England in 2003-4. Of these, 54.1%, or 126,245, were teaching staff, of whom 58.8% were women.[129] 68.8% of female teaching staff were employed on a part-time basis, compared with 54.1% of their male colleagues. In all, 62.7% of FE teaching staff were employed part-time.[130] Ethnic minorities were under-represented in the workforce.[131]

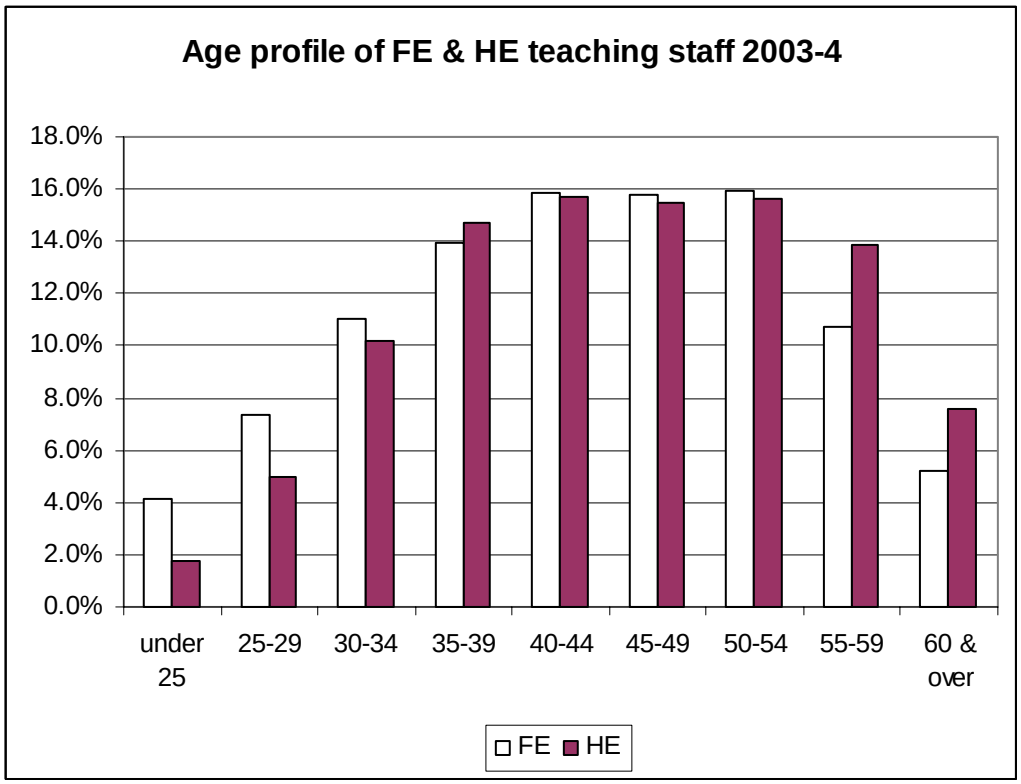
Age profile

The normal retirement age for members of the Teachers' Pension Scheme is 60. Already at least 5% of FE teaching staff in England were over the retirement age in 2003-4. A further 27% of teaching staff – nearly 34,000 staff – were aged between 50 and 59. This means that slightly over 40,000 teachers in FE will need to be replaced in the coming decade. Nearly 23% of teaching staff were aged under 35. David Hunter, chief executive of Lifelong Learning UK, has said: 'Our analysis of the Staff Individualised Record colleges submit to the Learning and Skills Council is confirmation that we need to address a demographic timebomb. The bulk of college staff are in their 40s and 50s. Just 19 per cent are aged under 35. Action on several fronts is necessary, especially as all areas of the economy will soon be recruiting from a shrinking population who are of working age.'[132]

Teaching staff age profile for FE (England) and HE (UK) 2003-4

	FE	FE	HE*	HE
	N	%	N	%
under 25	5214	4.1%	1890	1.8%
25-29	9317	7.4%	5390	5.0%
30-34	13943	11.0%	10954	10.2%
35-39	17619	14.0%	15844	14.7%
40-44	20025	15.9%	16967	15.7%
45-49	19892	15.8%	16711	15.5%
50-54	20091	15.9%	16846	15.6%
55-59	13536	10.7%	15015	13.9%
60 & over	6598	5.2%	8222	7.6%
Total	126235	100.0%	107839	100.0%

* teaching-only and teaching-and-research academic staff; excludes staff for whom age was unknown. The figures are a headcount, rather than a full-time equivalent, although for 5% of staff, there are more than one contract, so the FE data has a 5% 'margin of error'.
Source: LLUK (2005) Further education workforce data for England, p 54. HESA.



Source: LLUK (2005) Further education workforce data for England, p 54; HESA.

Comment

The above data indicate serious staffing problems in further education. We welcome the intention of the 2006 DfES FE White Paper to improve recruitment and retention in the sector, not least through Golden Hellos, training bursaries and the Key Worker Living scheme. We note that the DfES is planning new programmes to increase recruitment, improve retention and promote diversity across the sector. We welcome the intention to work with unions in running these programmes. We welcome the £11m additional

funding from 2007-8 announced in the 2006 Budget for such programmes. We recommend that the level and effectiveness of the funding is monitored. UCU believes that to turn these problems round, a significant improvement in terms and conditions of employment – particularly in levels of pay – is needed.

Higher education[133]

UK academic staff

Gender

Of the 150,000 academics in the UK in 2003-4, 20% were employed on a teaching-only basis (ie with no requirement to undertake research), nearly one quarter were employed on a research-only basis, but the majority of academics, 55%, were engaged in both teaching and research. 40% of the UK's academics in 2003-4 were women. More than a quarter of women academics worked part-time, compared with 16% of men. Female academics were more likely than males to be on a fixed-term contract. Nursing and paramedical studies had the highest proportion of women academics in a cost centre; the lowest was electrical, electronic and computer engineering. The age profile of female academics was generally younger than for male academics. 40% of academics declared disabled were women. In pre-1992 universities, nearly half of staff on the most junior lecturer grade were women, but only 14% of professors were women.

Ethnicity

89.5% of academics were white and 10.5% were from black and minority ethnic (BME) groups.[134] In the UK population as a whole, 89.2% of those of working age with an NVQ level 5 (postgraduate) qualification were white, so the proportion of BME academics was very similar to the proportion of BME postgraduates in the UK population as a whole. BME academics were slightly more likely than whites to be employed on a full-time basis. White academics were more likely than BME colleagues to have a secure job. Nearly 60% of white academics were employed in the 'traditional' academic function combining teaching and research, compared with just over half of black academics and somewhat over one-third of Asian academics. The proportion of white academics on a particular post increased with the seniority of the grade. The most ethnically diverse academic cost centres were generally in engineering, science and technology; conversely, arts, humanities, education and most language-based studies tended to have higher proportions of white academics. The age profile of BME academics was generally younger than for white academics, particularly for those employed in teaching-and-research posts. 93% of academics with declared disability were white. While the majority of higher education institutions reported that around 10% of their academic staff were of black or minority ethnicity, several small institutions reported no BME academic staff at all.

UK managerial staff

Gender

Of the 11,500 managerial staff in UK higher education in 2003-4, 46% were women. 87% of managers, both female and male, had an open-ended or permanent contract. Female managers had a younger age profile than their male colleagues. 2.4% of managers had a declared disability. [135]

Ethnicity

Of HE managerial staff whose ethnicity was known in 2003-4, 95.8% were white and 4.2% were of black or minority ethnic (BME) groups. In the population of working age with a NVQ level 4 (degree level) qualification – who might be taken as the pool of potential applicants for managerial posts in UK HE – 92.0% were white, so BME managers in HE were relatively under-represented. White managers were slightly more likely than their black and Asian colleagues to be employed full-time. White and black managerial staff in UK HE were slightly more likely than Asian colleagues to have a permanent contract. White and black managers in UK higher education generally had an older age profile compared with their Asian colleagues.

UK non-academic professional (NAP) staff

Gender

Of the 27,000 non-academic professional (NAP) staff in UK HE in 2003-4, 54% were female. Female NAP staff were slightly more likely than males to be employed on an open-ended or permanent contract. There was a younger age profile for female non-academic professionals. 2.6% of non-academic professionals had a declared disability. Female NAP staff earned 88.1% of the pay of their male colleagues.

Ethnicity

Of the UK non-academic professional staff whose ethnicity was known, 93.8% were white and 6.2% were from BME groups in 2003-4. In general, BME non-academic professional staff were under-represented in UK HE. Black and Asian non-academic professional staff were more likely than whites or those of other ethnicity to work on a full-time basis. White non-academic professional staff were more likely than BME employees to have an open-ended or permanent contract. The age profile of white non-academic professionals was older than that of their BME colleagues. Of UK HE non-academic professionals with a declared disability in 2003-4, 93.6% were white.

Recruitment and retention

Despite the growing numbers of employees in the sector, a range of reports in recent years have pointed to recruitment and retention problems in UK higher education among academic, academic-related and other university staff. One of the most recent, by the National Institute of Economic and Social Research

for the Department for Education and Skills said: 'We would conclude that there are recruitment problems and that these vary by subject and seniority, but that problems are not severe.'[136] However, the relatively narrow research base of the NIESR report, restricted to academic staff in 13 institutions in England and excluding clinical academics, may make its conclusions open to debate. The most recent of a series of reports for the Universities and Colleges Employers Association on recruitment and retention of staff in higher education found that in 2005 the majority of institutions surveyed believed the situation had largely remained the same over the preceding 12 months, with most institutions experiencing difficulties 'sometimes' for academic, administrative and professional staff, and manual staff.[137]

Some of the recruitment and retention problems in UK higher education are related to shortages in specific disciplines, others are linked to tight labour markets in certain occupational groups or the ageing population of academics in some subject areas. There is also a regional dimension to recruitment and retention, whether related to the high cost of living in certain parts of the UK, or to fluctuations in the availability of particular skills. All in all, large areas of employment in UK higher education are now affected by recruitment and retention difficulties. Some of the main reasons for this are lack of career progression, uncompetitive pay, the casualisation of employment and increasing workload in higher education institutions.

Comment

We are concerned that BME staff are under-represented in the FE and HE workforce, and urge government and employers to take further steps to address this.

We are concerned at the impending retirement of many thousands of teaching staff in FE and HE, and urge government and employers to set in process a high-profile recruitment campaign to address this situation.

We are also concerned about the significant pockets of recruitment and retention problems in the sector.

25 Learner:teacher ratio

Data from the DfES indicate that the learner:teacher ratio in further education colleges in England fell from 16.4:1 in 1996-7 to 13.4:1 in 2002-3.

Learner:teacher ratio, England

	FTE learners	FTE teachers	LTR
	000s	000s	
1994-5	946	65.8	14.4
1995-6	1,023	66.4	15.4
1996-7	1,050	64.0	16.4
1997-8	1,010	62.1	16.2
1998-9	1,010	62.9	16.1
1999-0	983	61.8	15.9
2000-1	955	64.2	14.9
2001-2	979	65.6	14.9
2002-3	945	70.3	13.4

FTE = full-time equivalent
Source: DfES departmental report (series)

Comment

We urge that the learner:teacher ratio is maintained at the 2002-3 level, and not increased.

26 Student:staff ratio

Over the past three decades, the student:staff ratio (SSR) in UK higher education has increased from 9 students to 1 teacher, to 19 students to 1 teacher. This is a rise of more than 100%.[138]

Over the same period, the pupil:teacher ratio (PTR) across all UK schools has fallen from 19 pupils to 1 teacher to 18 pupils to 1 teacher. Since 2000-01 the higher education ratio has been higher than the schools ratio.

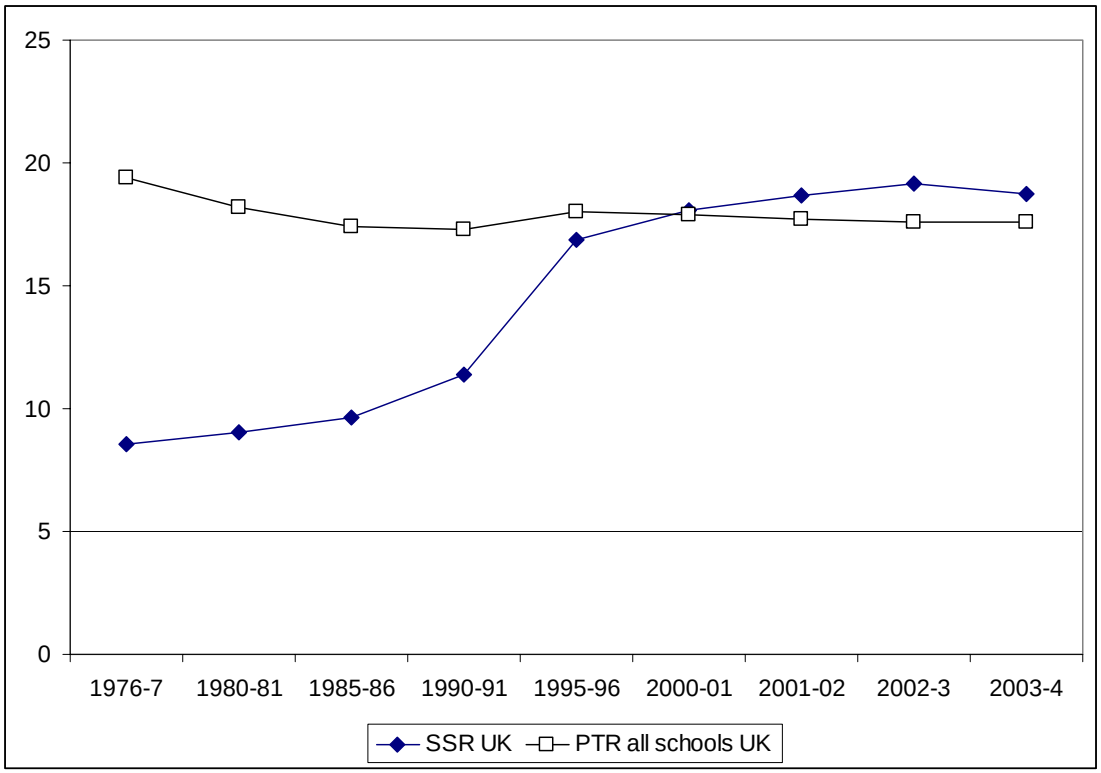
Higher education institutions in England are forecasting that the student:staff ratio will further increase in the period to 2008 – even though full-time undergraduate students will be paying up to £3,000 a year in variable top-up fees from 2006.[139]

Student:staff ratio and pupil:teacher ration in the UK

	SSR	PTR
1975-76	8.6 : 1	19.4 : 1
1980-81	9.1 : 1	18.2 : 1
1985-86	9.6 : 1	17.4 : 1
1990-91	11.4 : 1	17.3 : 1
1995-96	16.9 : 1	18.0 : 1
1999-00	17.5 : 1	18.1 : 1
2000-01	18.1 : 1	17.9 : 1
2001-02	18.7 : 1	17.7 : 1
2002-03	19.2 : 1	17.6 : 1
2003-04 [140]	18.8 : 1	17.6 : 1

SSR (student:staff ratio) and PTR (pupil:teacher ratio) data based on full-time equivalents.
Source: SSR data - AUT calculation based on USR data series and HESA Students and Resources series, including undergraduate and postgraduate student numbers and teaching-only and teaching-and-research academic staff, using a factor of 0.5 for part-time students and teaching staff, except 2003-4, when new HESA staff FTE used; PTR data - Education Statistics for UK, series; Education & Training Statistics for the UK, series. First year for SSR is actually 1976-7 as earlier data not available from USR. SSR data prior to 1990-91 were for the university sector only; data from 1995-96 are for all higher education institutions. The PTR ratio is for all schools.[141]

SSR and PTR in the UK



SSR and PTR data based on full-time equivalents (FTE).
Source: SSR data - AUT calculation based on USR data series and HESA Students and Resources series, including undergraduate and postgraduate student numbers, using a factor of 0.5 for part-time students and teaching staff, except 2003-4, when new HESA staff FTE used; PTR data - Education Statistics for UK, series; Education & Training Statistics for the UK, series. First year for SSR is actually 1976-7 as earlier data not available from USR. SSR data prior to 1990-91 were for the university sector only; data from 1995-96 are for all higher education institutions. The PTR ratio is for all schools.[142]

International data

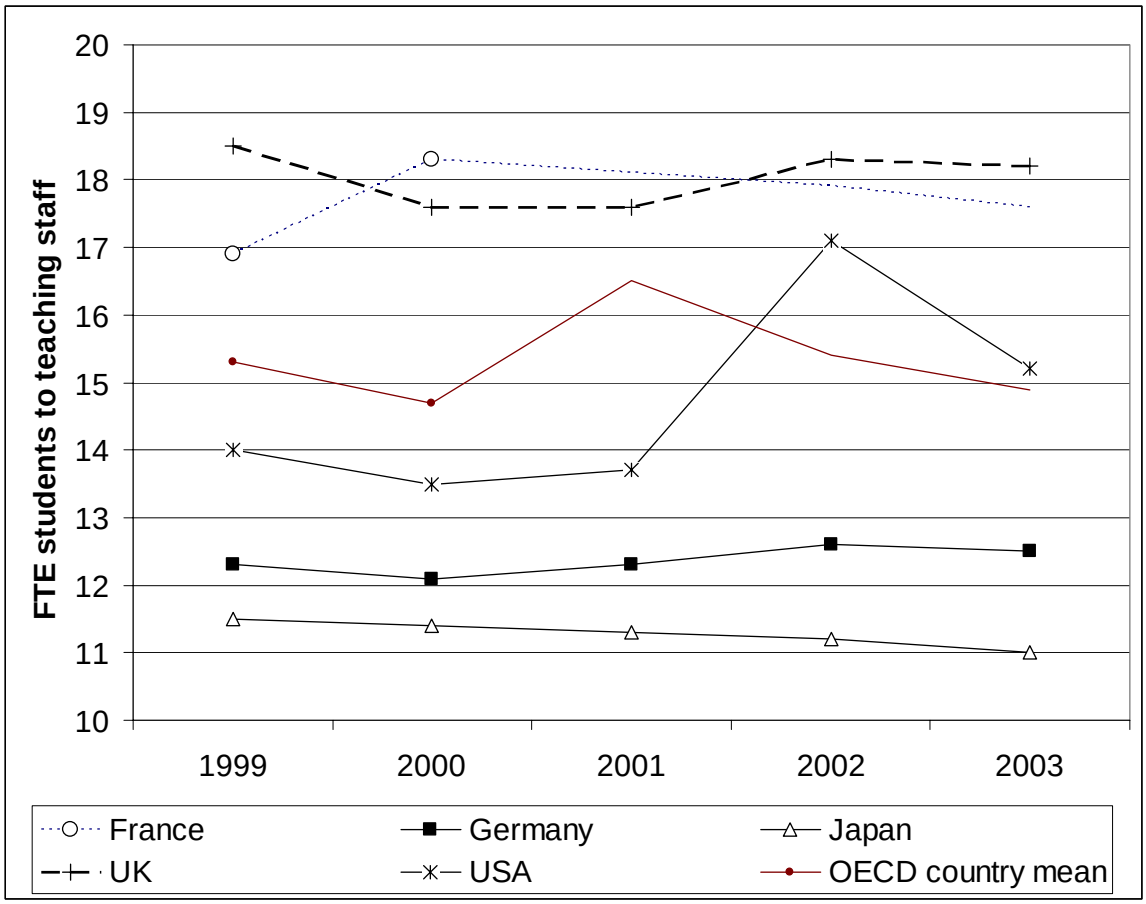
Over a five-year period to 2003, OECD[143] data show the student:teaching staff ratio in UK higher education fluctuating at around 18:1 (table 2, chart 2).[144] This was consistently higher than the mean ratio for OECD countries, and was also considerably higher over that period than for the USA, Germany and Japan. Of leading competitor countries, only France had a SSR comparable with the UK's.

OECD ratio of students to teaching staff in tertiary educational institutions*

	1999	2000	2001	2002	2003
France	16.9 : 1	18.3 : 1	18.1 : 1	17.9 : 1	17.6 : 1
Germany	12.3 : 1	12.1 : 1	12.3 : 1	12.6 : 1	12.5 : 1
Japan	11.5 : 1	11.4 : 1	11.3 : 1	11.2 : 1	11.0 : 1
UK	18.5 : 1	17.6 : 1	17.6 : 1	18.3 : 1	18.2 : 1
USA	14.0 : 1	13.5 : 1	13.7 : 1	17.1 : 1	15.2 : 1
OECD country mean	15.3 : 1	14.7 : 1	16.5 : 1	15.4 : 1	14.9 : 1

Based on full-time equivalents
* includes Type A 3+ year mainly theoretical degrees & advanced research programmes, and Type B shorter more practical courses
Source: OECD Education at a Glance, series, Table D2.2

International comparison of student:staff ratio*



Based on full-time equivalents
* includes Type A 3+ year mainly theoretical degrees & advanced research programmes, and Type B shorter more practical courses
Source: OECD Education at a Glance, series, Table D2.2

Comment

We are extremely concerned about the growth of the student:staff ratio. The rising age level of academic staff means that a growing number of staff will be retiring over the next 10 years. More staff will be needed to meet the government's aim of 50% of young people participating in higher education by 2010, at a time when the young adult age cohort in the population is increasing.

HEFCE has estimated that an additional 17,000 staff are needed to teach the extra students if the government achieves its target of 50% of young people participating in higher education by 2010. Professor Roderick Floud, vice-chancellor of London Metropolitan University and the then President of Universities UK predicted in 2002 that a further 19,000 staff would be needed in the UK to replace those about to retire.[145]

We note the concern of the Chancellor of the Exchequer, in the 2006 Budget speech, that in schools, pupil teacher ratios should be improved. We call on the government to provide funding for the employment of additional staff to bring about reduction of the SSR in the UK to the level of the OECD country

mean over the coming decade.

27 Initial training and continuing professional development

Further education

Further education White Paper, 2006

'We will invest more in recruiting and training the best staff, with a stronger flow of business expertise coming into the sector and more college staff helped to gain workplace experience.'[146]

Foster Review, 2005

'Until recently there has been little systematic work around workforce development. Although improving, morale is low in some areas and there are some recruitment and retention problems in skill shortage subjects and where there is competition with schools.'[147]

The 'think piece' on staff for the Foster Review, by Colin Flint, said that FE had a tradition of widespread use of part-time staff, which had the benefit of enabling practitioners to contribute to courses. Flint wrote: 'There need not, of course, be any adverse effect on the quality of provision through this: good structures and effective management can ensure proper levels of communication and integration into college strategies. It is, however, a good deal harder to manage effectively a team made up largely of part-time staff, and opportunity for staff development and attendance at team meetings are more difficult to ensure.'[148]

On professional development as a whole, Flint was highly critical of the situation in FE: 'There has not been additional financial support for staff development in further education since incorporation'.[149] Although the proportion of lecturing staff with a teaching qualification is increasing, Flint said: 'The quality of initial teacher training for those planning to work in FE is widely believed to have deteriorated and to be of doubtful relevance. The specialist institutions which once provided training specifically for FE teachers have become more general in their offer: there is no opportunity for vocationally specific and practical training, because it is all classroom based. It is assumed that the practical applications will be learned at work.' Flint concluded: 'We need to rethink approaches to and become more serious about vocational teacher training, and we must develop new approaches to learning at work, which is a vital development area if we are to achieve ambitious targets for vocational skills and qualifications. There is also a need for a more robust programme of industrial placement for vocational staff …'[150]

The target for FE teaching staff is that by 2006 90% of full-time and 60% of part-time staff will be fully qualified. According to analysis of the FE Staff Individualised Record for 2003-4 by Lifelong Learning UK, 70% of full-time staff and 47% of part-timers were already fully qualified.[151] On the basis of teaching staff currently working towards a full qualification, LLUK estimated

that by 2006 95.1% of full-time and 62.6% of part-time teaching staff would be fully qualified.

Comment

We consider that additional funding needs to be made available over the period of the second Comprehensive Spending Review to ensure adequate continuing professional development for all lecturing staff in FE. The amount spent by FE colleges on staff development, although around 4% of budget, were much lower than the equivalent expenditure in the NHS.[152] We consider that a hypothecated funding stream should be established for CPD in the FE sector.

The Skills White Paper published just before the 2005 general election reaffirmed the priority that would be given to remedying the endemic low skills in the UK workforce. These curriculum developments will need to be supported by professional development for staff across the learning and skills sector who will be delivering these new programmes to new learner groups. Changes have cost implications; for these changes to be successful, they will need to be resourced properly.

We note the proposal in the Foster Review for a workforce development plan to be produced by November 2006. We strongly recommend that this is undertaken jointly with trade union representatives.

We note in the 2006 FE White Paper the intention that workforce development will form part of the framework of the Quality Improvement Strategy to help create 'a well qualified workforce and a sustainable culture of professionalism, and enable staff to improve and update their skills continuously'.[153] We urge that this initiative – and the regulatory CPD requirement for teachers, starting from September 2007 – is adequately costed and resourced.

We have strongly supported the DfES proposals around initial teacher training and continuous professional development, and is supporting the newly established Lifelong Learning Sector Skills Council. However a recent on-line survey of NATFHE members on the remission from teaching that they received to undertake a course to obtain the mandatory professional qualification now required for new FE teaching staff, showed that 50% of the respondents were receiving no remission to undertake this and some were even having to pay for their course. For a sector that is supposed to be at the heart of lifelong learning, these are shocking facts.

We would urge the government to ensure that colleges put in place the necessary resources to implement initial teacher training and CPD plans.

Developing the leaders, teachers, lecturers, trainers and support staff is essential for the delivery of excellent education. The task is urgent. Demographic factors mean that the sector must soon the find next generation of leaders and replace at least half the teaching staff. The national targets for

a qualified workforce and requirements in college development plans are both welcome, but without adequate resources will come to nothing.

Recent proposals for improving initial teacher training will have considerable cost implications for colleges, on top of spending on continuous professional development for all staff. Initial teaching training is important and funding should be additional to that needed to ensure staff are equipped to deal with curriculum changes from the 14-19 skills strategies for example, or new technological developments such as e-learning.

Higher education

In 1999, the Independent Review of Higher Education Pay and Conditions (IRHEPC) pointed out that 'there is a need, across the sector, for greater investment of time and resources in the training and development of *all* groups of staff'.[154]

Since the publication of the IRHEPC report, new bodies with responsibility for workforce development, such as the Higher Education Academy, the Leadership Foundation for Higher Education and Lifelong Learning UK, have been established. We have also seen the introduction of HRM schemes such as Rewarding and Developing Staff in England.

During this period there has been a greater emphasis on training and professional development for new permanent members of academic staff. For example, over 90% of UK based HEIs currently have at least one accredited programme for staff new to supporting student learning. The Higher Education Academy is also taking the lead in setting professional standards for all staff involved in teaching and in supporting student learning.

The Leadership Foundation for Higher Education was created in March 2004 and since then it has developed a range of training and development programmes targeted at senior members of staff. In addition, the sector skills council, Lifelong Learning UK, was launched by the government in June 2005, to promote professional development in higher education, community learning and development, further education, libraries, archives and information services and work-based learning. As well as developing occupational standards, LLUK produces labour market intelligence on skills gaps and shortages among the lifelong learning workforce.

The Rewarding and Developing Staff (R&DS) initiative was established in England in 2001 by the government to enable higher education institutions to recruit, retain and develop staff. Between 2001-2 and 2003-4 HEIs in England received approximately £380m. Between 2001 and 2006, a total of £880m was allocated under the R&DS initiative. The bulk of this funding has been spent on implementing the Framework Agreement on pay and grading in higher education, management development, annual performance reviews, management of poor performance, job evaluation schemes, and equal pay and equal opportunities activities. Nevertheless, a small amount of the R&DS money has gone on staff development initiatives such as waiving of study fees

for postgraduate study, and on assistance with NVQ work or continuing professional development for support staff. [155]

Comment

Overall, we feel that the sector has very little to show for the very large amount of public money spent on the R&DS initiative. We have the strong impression that a significant amount of the R&DS money has been put into developing the management function in higher education institutions, but we remain to be convinced that this has been for the good of students and staff in higher education in England.

We believe that additional funding needs to be made available over the CSR2 period to ensure adequate continuing professional development for all higher education staff. In particular, more resources are needed to guarantee that casual and hourly-paid staff are able to access institutional training and development opportunities.[156] It is critical that such funding is explicitly earmarked for practitioners' professional development, as experience shows that when funding pressures are acute, budgets for CPD are not safeguarded at the faculty/departmental level, where they are most needed and can most effectively be deployed.

We believe that the Higher Education Academy should work to ensure that accredited teacher training programmes and continuing professional development frameworks are underpinned by a practitioner-led approach. Whilst institutions have made some investment in programmes of initial training for staff new to teaching in HE, this has not been extended into investment in continuing professional development. We also note that the Academy professional standards framework is quite clear that effective teaching and learning in higher education must be integrated with disciplinary research and scholarship. In our view this means that the funding councils should provide the necessary funding to facilitate scholarship and research activity by all academic staff regardless of institutional mission.

We generally welcome the creation of the Leadership Foundation for Higher Education, for example, its emphasis on equal opportunities. However, it is too early to gauge the success of the organisation and we look forward to the first impact assessment in 2006.

HE in FE

Comment

Where FE staff are involved in providing higher education, we strongly believe that they should have the same terms and conditions as higher education teaching staff regarding paid time for scholarship. This is to enable staff to keep up with their subject, and keep abreast of technological change. There should be funding made specifically available for this, both in terms of paying for relevant CPD, and in ensuring adequate staffing levels to enable HE-in-FE staff to undertake CPD during paid work time.

28 Pay

Further education

Foster Review 'think piece'

'Salary levels have been a major source of discontent in the FE sector since incorporation [1993], though not the only one. Many colleges have not been able, on one or more occasions, to offer the annual cost-of-living increase to which staff had become accustomed … and over the same period salaries were slipping in comparison with those in schools. The FE premium on salaries, justification of which had been to do with the need to attract staff from industry and commerce … had disappeared and had been overtaken.'[157]

Bill Rammell, Minister of State for Higher Education and Lifelong Learning, England

'We envisage that with increased resources, greater flexibility over use and a longer-term funding framework, colleges should be able to address structural barriers in their current pay arrangements. The recommended pay deal for 2003-5 will pave the way for colleges to develop pay modernisation within the framework of Success for All and aims to provide a framework for career progression for colleges and their staff.'[158]

Ruth Kelly, Secretary of State for Education and Skills, 16 November 2005 speech to AoC conference

'The reforms to initial teacher training announced last year will give college lecturers a new professional status. The Golden Hellos and bursaries are being developed to boost recruitment in a wider range of shortage subjects. Together they will benefit over 3,000 lecturers.'

The Modernising Pay proposals for further education for 2003-4 and 2004-5 sought to: establish new harmonised pay scales for all staff; implement a 6.5% pay increase; introduce a shorter pay progression point scale for lecturing staff with additional discretionary points; and introduce a minimum hourly rate for the lowest paid staff (£6). However, figures towards the end of 2005 showed that only between 75% and 80% of FE colleges had implemented the pay award, and only about one-third had introduced the shorter pay progression scales, while around 50% had introduced the harmonisation of scales.[159]

NATFHE has for many years pointed out the widening gap between salary levels in schools and in colleges. This now stands at around 10% (see table). The further education unions concluded a salary settlement in 2003 that was to run for two years and included a scheme to modernize pay in the sector. The unions delivered their members' support for the scheme. Yet although colleges largely paid the salary increases of the settlement, only 34% have implemented the modernisation element involving shortening dramatically the

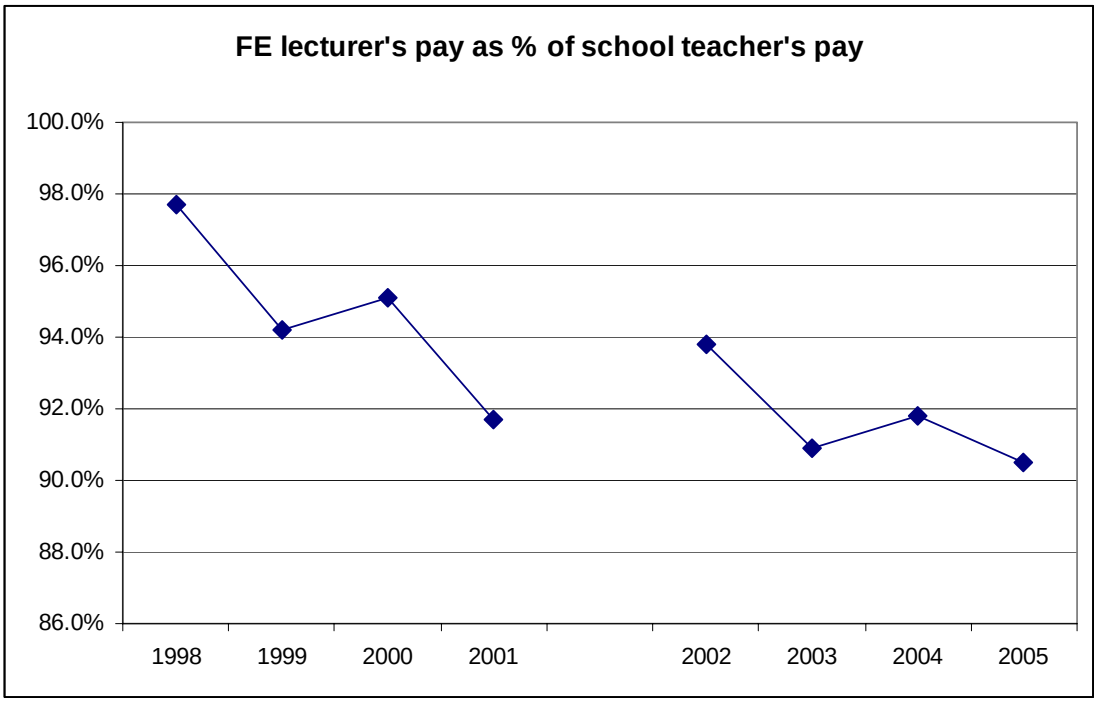
length of the pay scale - the very measure that would have narrowed these pay differentials between schools and colleges.

In 2006, FE lecturers in Wales were put on a single pay spine mirroring the pay structures of school teachers, backdated to 2005, in order to deal with the FE-schools pay gap in Wales. Part-timers are to be paid at the same rate as full-time colleagues, and lecturers on hourly paid contracts will be transferred onto long-term contracts.

Average weekly pay: teaching staff in schools and FE

	Higher and further education teaching professionals	Secondary and middle school deemed secondary education teaching professionals	Gap	FE as % of secondary
	£ cash	£ cash	£ cash	%
1998	460.3	471.3	11.0	97.7%
1999	466.8	495.6	28.8	94.2%
2000	490.1	515.5	25.4	95.1%
2001	508.3	554.2	45.9	91.7%
	Further education teaching professionals	**Secondary education teaching professionals**	**Gap**	**FE as % of secondary**
	£ cash	**£ cash**	**£ cash**	**%**
2002	542.8	578.5	35.7	93.8%
2003	549.0	604.0	55.0	90.9%
2004	565.4	616.1	50.7	91.8%
2005	586.2	647.6	61.4	90.5%

Weekly pay, mean, gross (£) - For full-time employee jobs[a]: United Kingdom
Full-time employees on adult rates whose pay for the survey pay-period was not affected by absence. Data for 2004 excluding ASHE supplementary information. Occupational classifications changed in 2002.
Source: Annual Survey of Hours and Earnings; real terms and percentage calculations by UCU.



Weekly pay, mean, gross (£) - For full-time employee jobs[a]: United Kingdom
Full-time employees on adult rates whose pay for the survey pay-period was not affected by absence. Data for 2004 excluding ASHE supplementary information. Occupational classifications changed in 2002.
Source: Annual Survey of Hours and Earnings; real terms and percentage calculations by UCU.

Comment

The 2004 spending review investment facilitated a two-year pay settlement involving a new harmonised pay spine and job families which at last provided the opportunity for very significant progress towards pay parity with schoolteachers, and the potential to ensure pay equality. If implemented fully across the sector this would be a major step forward in tackling recruitment and retention problems in the sector, and enhance colleges' performance.

If the modernising pay strategy is to succeed, it is imperative that sufficient funds are provided to allow colleges to fully consolidate the new pay arrangements in future years, as well as meeting other additional staffing costs, including increased pension contributions and national insurance increases.

We must avoid at all costs the situation where colleges find that they can only meet the financial demands of the new pay structures through redundancies or worsening of conditions of service for staff. This will totally negate the potential benefits of the modernised pay structure.

Additional funds should be brought forward to enable the Adult and Community Learning Sector and Prison Education to benefit also from the implementation of this new pay and career structure.

The consequence of the pay gap between schools and FE is that colleges are losing staff to schools, and the persisting low FE salaries mean that it is becoming increasingly difficult for colleges to recruit, especially in shortage

subjects. With around 50% of current staff retiring within ten years this is a dangerous situation. The decision in 2006 to give FE lecturers in Wales pay parity with school teachers was a landmark victory for the FE sector, showing employers in England that there is another way – apart from industrial conflict – to deal with pay inequalities.

Low comparative pay affects not just colleges but all the learning and skills sector. FE colleges are in fact the market leaders in the sector in terms of pay. Their relatively low salary levels have an impact on both adult and community and work based learning providers. Just as colleges are losing staff to schools, so adult and community learning and work-based learning providers can lose staff to colleges.

Ultimately, salary levels will affect the quality of staff who work in the sector and the quality of the learning programmes they deliver. The impact of low pay can be seen in the figures for turnover of staff in colleges. Currently it is running at 15.9%, (14.3% for teaching staff, 16.4% non-teaching.) In 2004 92% of colleges reported vacancies, compared with 89% in 2003. Of total vacancies, 15.6% were for basic skills teachers, 12.3% construction, 10.2% in health and social care. Temporary cover and reallocation of duties are the main means that colleges use to try to cope with this situation.

Colleges say they cannot afford to honour pay settlements. Funders tell unions the money is there. Everyone passes the buck. We would urge the government that, in addition to ensuring the resources are there, they would consider a modernising fund for colleges to draw on as an interim measure and then a funding stream for the longer term. Wales has shown that where there is the will, there is a way to tackle these pay problems.

Further and higher education

For the period 1998-2001, public sector average[160] pay increased by 6.9% above inflation.[161] For university and polytechnic teaching professionals, pay for the period was 0.1% below inflation; for higher and further education teaching professionals, pay rose by 3.7% above inflation.

Following the revision in 2002 of the Standard Occupational Classification, from SOC90 to SOC2000, there is a second series of average pay data, from 2002-2005. Over this period, public sector average pay increased by 5.8% above inflation. For higher education teaching professionals, average pay rose by 2.7% above inflation; for further education teaching professionals, pay fell by 1.0% below the rate of inflation.

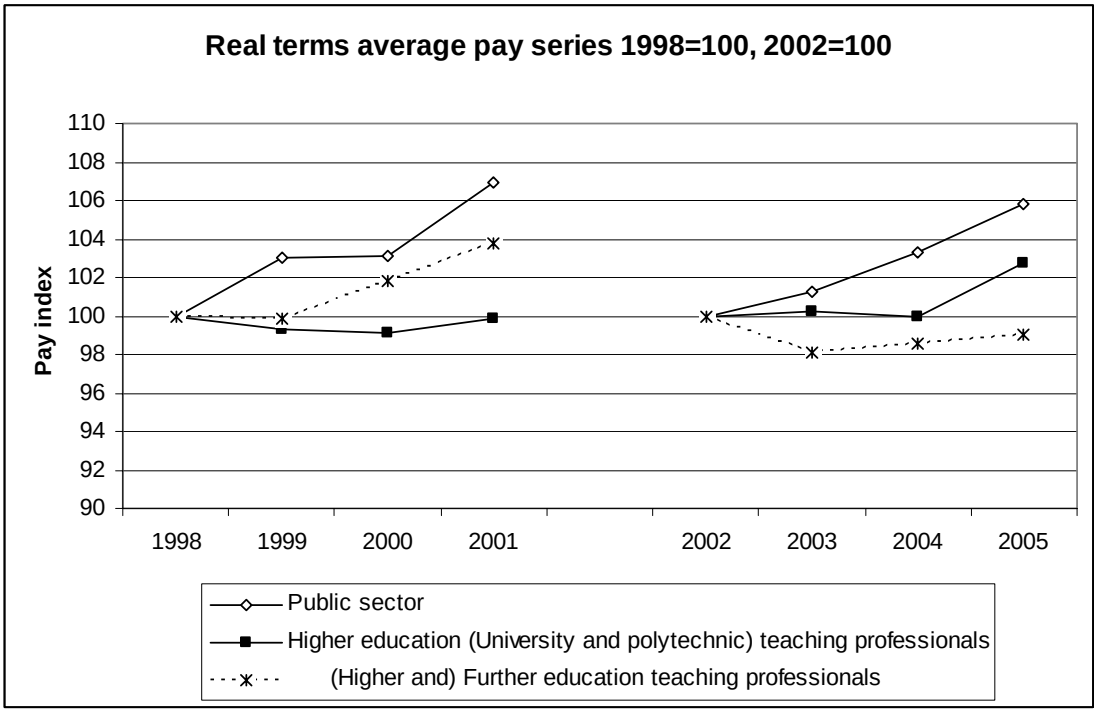
In summary, average pay for teaching professionals in further and higher education since 1998 has fallen far behind the level of increases in the public sector as a whole; indeed, for higher education staff in 1998-2001, and further education staff in 2002-5, average pay has not even kept up with all items RPI inflation.

Indexed real terms average (mean) pay series, 1998-2005, UK

3 digit SOC code	Public sector	University and polytechnic teaching professionals	Higher and further education teaching professionals
1998	100.0	100.0	100.0
1999	103.0	99.3	99.8
2000	103.1	99.1	101.8
2001	106.9	99.9	103.7
4 digit SOC code	**Public sector**	**Higher education teaching professionals**	**Further education teaching professionals**
2002	100.0	100.0	100.0
2003	101.3	100.2	98.1
2004	103.3	100.0	98.6
2005	105.8	102.7	99.0

SOC: Standard Occupational Classification
Full-time employees on adult rates whose pay for the survey pay-period was not affected by absence. Data for 2004 excluding ASHE supplementary information.
Source: Annual Survey of Hours and Earnings; real terms calculations by AUT

Indexed real terms average (mean) pay series, 1998-2005, UK



SOC: Standard Occupational Classification
Full-time employees on adult rates whose pay for the survey pay-period was not affected by absence. Data for 2004 excluding ASHE supplementary information.
Source: Annual Survey of Hours and Earnings; real terms calculations by AUT

Comment

At a time when public sector average pay has been increasing well above the rate of inflation, very little if any of this benefit has been seen by teaching professionals in further and higher education. A great deal of pay catch-up needs to take place for FE teachers and their colleagues in higher education. Over the decade from 2008, we look to the government to provide public

sector funding increases sufficient to tackle the problem of past underfunding of pay in further education. We look to employers in higher education to pass on the benefits of increased grant and fee income to their employees.

29 Pay gaps

Gender

In 2005, the average pay of women in the public sector was 81% of average pay for men in the public sector – a gender pay gap of 19% in men's favour. For higher education teaching professionals, the gender pay gap was 17.5% and for further education teaching professionals, the gap was 12.8%.

Over the period 1998-2001 the public sector gender pay gap marginally narrowed, from 20% to 19%. For university and polytechnic teaching professionals and for higher and further education teaching professionals, the pay gap fluctuated, but was considerably wider in 2001 than in 1998.

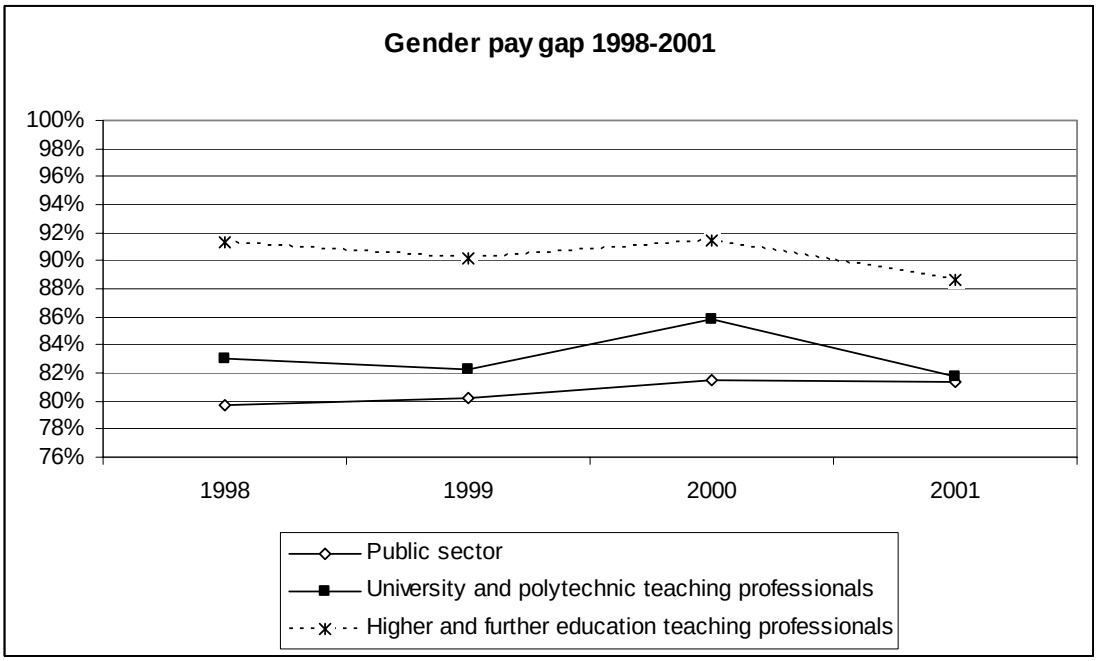
Over the period 2002-5, the gender pay gap fluctuated around the 18% mark for public sector employees. For both higher and further education teaching professionals, the gap narrowed between 2002 and 2004, but then widened in 2005.

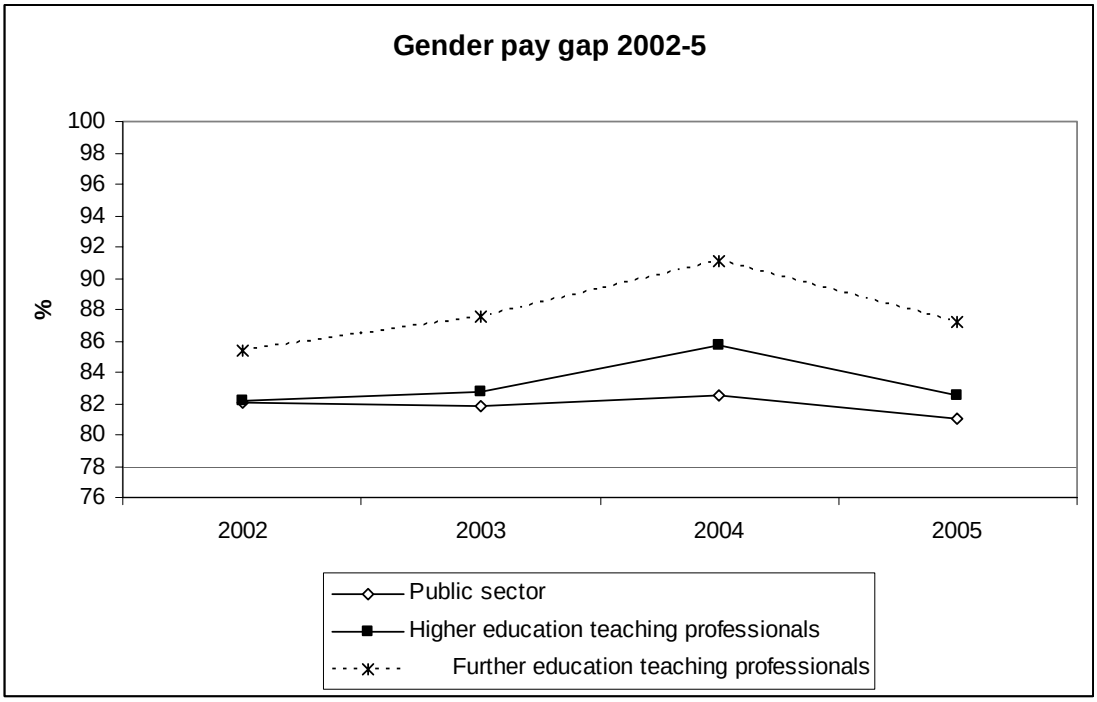
Women's pay as a percentage of men's, UK

	Public sector	University and polytechnic teaching professionals	Higher and further education teaching professionals
1998	79.7%	83.0%	91.3%
1999	80.2%	82.3%	90.2%
2000	81.5%	85.8%	91.4%
2001	81.4%	81.8%	88.6%

	Public sector	Higher education teaching professionals	Further education teaching professionals
2002	82.1%	82.2%	85.4%
2003	81.8%	82.8%	87.6%
2004	82.5%	85.7%	91.1%
2005	81.0%	82.5%	87.2%

Full-time employees on adult rates whose pay for the survey pay-period was not affected by absence. Data indicate female pay as a percentage of male pay. Data for 2004 excluding ASHE supplementary information. Data based on the mean average.
Source: Annual Survey of Hours and Earnings; percentage calculations by AUT





Full-time employees on adult rates whose pay for the survey pay-period was not affected by absence. Data indicate female pay as a percentage of male pay. Data for 2004 excluding supplementary information. Data based on the mean average.
Source: Annual Survey of Hours and Earnings; percentage calculations by AUT

Comment

It is a matter of concern that the gender pay gap for teaching professionals in further and higher education is so wide. In higher education, the gap is nearly as wide as for all public sector employees; the gap has not narrowed despite the allocation of £880m of public funding to higher education institutions in England between 2001 and 2006 under the Rewarding and Developing Staff initiative to address pay modernisation, including equal pay. While the gap is

somewhat narrower in further education, urgent action is needed over the decade from 2008 to bring average pay for women much closer to average pay for men. We particularly urge that all employers in further and higher education undertake equal pay audits, together with trade unions, involving analysis, diagnosis and action (see section on equal opportunities).

Ethnicity

Higher education[162]

In higher education in the UK, the average pay of black and minority ethnic academics tends to be lower than the average pay of their white colleagues, particularly for staff of all nationalities. In 1995-6, BME academics of UK nationality earned 93.3% of the pay of their white colleagues – in other words, there was a 7% ethnicity pay gap. Northern Ireland was the only UK country where there was a pay gap in favour of BME staff.[163] In the same year, BME academics of all nationalities earned 89.1% of the pay of their white colleagues – ie an 11% pay gap. In 1998-9, the respective proportions were virtually unchanged, ie 93.4% and 89.0%. In 2003-4, the gap was slightly narrower for UK nationals, at 94.1%, but wider for all nationalities, at 87.5%.

Academics: BME staff average pay as a proportion of white's average pay

	1995-6			1995-6		
	UK Nationality			All nationalities		
	White	BME	Pay gap	White	BME	Pay gap
	£	£	%	£	£	%
England	£26,894	£25,007	93.0%	£26,515	£23,730	89.5%
Wales	£26,362	£24,109	91.5%	£25,929	£22,335	86.1%
Scotland	£26,658	£25,732	96.5%	£26,278	£22,575	85.9%
Northern Ireland	£25,366	£25,945	102.3%	£25,526	£21,741	85.2%
UK	£26,818	£25,026	93.3%	£26,431	£23,558	89.1%

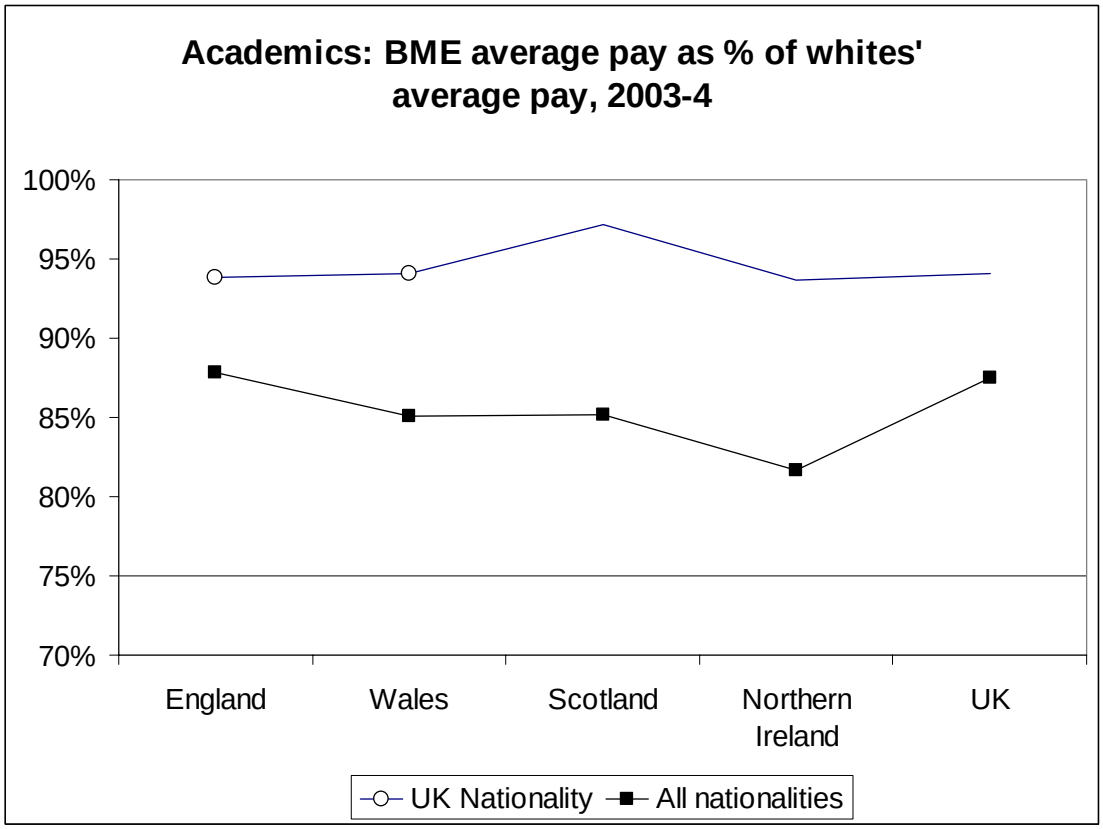
BME = black and minority ethnic
Average salary of full-time academic staff.
Source: HESA; percentage calculations by UCU

	1998-9			1998-9		
	UK Nationality			All nationalities		
	White	BME	Pay gap	White	BME	Pay gap
	£	£	%	£	£	%
England	£30,561	£28,460	93.1%	£30,006	£26,815	89.4%
Wales	£29,517	£27,637	93.6%	£29,245	£25,780	88.2%
Scotland	£30,887	£29,503	95.5%	£30,357	£26,060	85.8%
Northern Ireland	£31,415	£30,844	98.2%	£29,136	£24,431	83.9%
UK	£30,554	£28,522	93.4%	£29,990	£26,680	89.0%

BME = black and minority ethnic
Average salary of full-time academic staff
Source: HESA; percentage calculations by UCU

	2003-4			2003-4		
	UK Nationality			All nationalities		
	White	BME	Pay gap	White	BME	Pay gap
	£	£	%	£	£	%
England	£37,398	£35,080	93.8%	£36,565	£32,109	87.8%
Wales	£36,250	£34,096	94.1%	£35,717	£30,381	85.1%
Scotland	£37,301	£36,263	97.2%	£36,533	£31,140	85.2%
Northern Ireland	£37,458	£35,101	93.7%	£36,225	£29,604	81.7%
UK	£37,322	£35,119	94.1%	£36,507	£31,931	87.5%

BME = black and minority ethnic
Average salary of full-time academic staff
Source: HESA; percentage calculations by UCU



BME = black and minority ethnic
Average salary of full-time academic staff
Source: HESA; percentage calculations by UCU

One reason for the ethnicity pay gap being wider for BME academics of all nationalities than for BME academics of UK nationality may be the higher proportion of BME academics of all nationalities who are research-only academics.[164] Most research-only academics are employed relatively junior, and therefore lower paid, grades; by contrast, average pay for teaching-and-research academics – who form the majority of academic staff – tends to be higher than for research-only staff. An increase in the proportion of research-only academics in the group for whom average pay is calculated will tend to decrease the size of the average. In 2003-4, 92% of research-only academics of UK nationality were white, compared with 82% of research-only academics of all nationalities. Put the other way round, 8% of research-only academics of UK nationality were BME, compared with 18% of research-only academics of all nationalities. The higher proportion of BME research-only academics

among academics of all nationalities is likely to reduce the average pay of these academics.

Comment

The continuing pay gap in favour of white academics – particularly for academics of all nationalities – in UK higher education is another matter of concern. We urge that equal pay audits, when conducted by higher education institutions in conjunction with trade unions, investigate ethnicity pay gaps as well as gender pay gaps. We hope that the implementation of the Framework Agreement will enable institutions to tackle the ethnicity pay gap, through the use of job evaluation and role analysis to ensure equal pay for work of equal value.

30 Casualisation

The term casualisation is used to refer to the practice of employing staff on insecure terms, particularly the use of fixed-term contracts, as well as employing staff on an hourly-paid basis. Part-time working may be a preferred option for many employees, but for others the lack of opportunity to work on a full-time basis can also be seen as another form of casualisation.

Further education

Foster Review

'Worries were also frequently expressed about the casualisation of the workforce. A significant proportion of staff (over 17%) do not have permanent full time or part time contracts. There may be legitimate reasons for employing staff on this basis, particularly where FE colleges are supplementing their expertise with professionals working in industry and contributing specialist knowledge. But it does create a fragmented workforce and makes staff development and organisational transformation more difficult to manage.' [165]

In England in 2003-4, 7% of all further education staff were defined as casual: this may include supply staff as well consultants.[166] Nearly one-quarter of staff were employed on a fixed-term basis. Nearly two-thirds of staff were employed on a permanent basis. Approximately 5% of teaching staff were employed through an agency. Although the analysis by Lifelong Learning UK indicated negligible numbers of self-employed teaching staff, LLUK said: 'Many colleges do not employ hourly-paid staff so where there is a requirement for this type of teacher, they *have* to be employed via an agency'.[167] There was very little difference between male and female staff in their terms of employment. In brief, around one-third of further education staff were employed on a casual basis.

Terms of employment, further education staff, England, 2003-4

	Casual staff	Fixed-term staff	Permanent staff	Teaching staff employed through an agency	Total
	%	%	%	%	%
Female staff	7.0%	24.8%	63.4%	4.8%	100.0%
Male staff	7.1%	22.9%	65.0%	5.0%	100.0%
Total	7.0%	24.1%	64.0%	4.9%	100.0%

Source: Lifelong Learning UK (2005), Further education workforce data for England 2003-4, p. 45.

In its submission to the 2004 spending review, NATFHE highlighted the reliance of the sector on fixed-term hourly-paid staff and agency labour. Research in 2000 indicated that between 27% and 33% of part-timers indicated that they would prefer to work full-time; this compares to a figure of 10% for the UK part-time workforce as a whole. NATFHE estimated that at least 50% of part-time lecturers were employed on hourly-paid temporary contracts and that over 20% of colleges used lecturers supplied by agencies.

Comment

The crucial issue is the negative consequences for employees and the quality of service provided by colleges if the use of part-time hourly-paid teaching staff continues. In its submission to the 2004 spending review NATFHE made reference to evidence indicating a number of weaknesses concerning the support given to fixed-term hourly-paid teachers in FE and the negative impact on the quality of teaching and learning. There is a need for an urgent review of progress made in rectifying this situation and a commitment to providing the necessary financial resources to tackle outstanding problems. Our experience continues to indicate that where colleges can find the resources, the clear preference is to move away from widespread use of fixed-term hourly-paid staff towards the use of fractional open-ended contracts.

Higher education

Of the 150,000 academics in the UK in 2003-4, 20% were employed on a teaching-only basis (ie with no requirement to undertake research), nearly one quarter were employed on a research-only basis, but the majority of academics, 55%, were engaged in both teaching and research. In 2003-4, 45% of all academics were employed on a fixed-term contract, with 66% of teaching-only academics, 91% of research-only academics and 16% of teaching-and-research academics on a fixed-term contract.

Gender

Female academics were more likely than males to be on a fixed-term contract. While female academics were split approximately 50:50 between those on permanent contracts and those on fixed-term contracts, 60% of males were on permanent contracts, and 40% were fixed-term. The proportions of male and female teaching-only academics on fixed-term contracts were almost identical. For research-only and teaching-and-research academics, males were slightly more likely than females to be on a permanent contract.

Gender and casualisation, UK higher education 2003-4 – all academics

Terms of Employment	Female	Male	Total
Open-ended/Permanent	49.2%	59.5%	55.4%
Fixed-term contract	50.8%	40.5%	44.6%
Total	100.0%	100.0%	100.0%

Source: HESA; percentage calculations by UCU

Gender and casualisation, UK higher education 2003-4 – teaching-only academics

Terms of Employment	Female	Male	Total
Open-ended/Permanent	34.8%	33.1%	33.9%
Fixed-term contract	65.2%	66.9%	66.1%
Total	100.0%	100.0%	100.0%

Source: HESA; percentage calculations by UCU

Gender and casualisation, UK higher education 2003-4 – research-only academics

Terms of Employment	Female	Male	Total
Open-ended/Permanent	7.2%	10.2%	8.9%
Fixed-term contract	92.8%	89.8%	91.1%
Total	100.0%	100.0%	100.0%

Source: HESA; percentage calculations by UCU

Gender and casualisation, UK higher education 2003-4 – teaching-and-research academics

Terms of Employment	Female	Male	Total
Open-ended/Permanent	81.7%	85.9%	84.4%
Fixed-term contract	18.3%	14.1%	15.6%
Total	100.0%	100.0%	100.0%

Source: HESA; percentage calculations by UCU

Ethnicity

Overall, white academics were more likely than their black and minority ethnic colleagues to be employed on a permanent contract. In 2003-4, 61% of whites were on a permanent contract, compared with 52% of black academics, 49% of academics of other ethnicity, and 36% of Asian academics. Among teaching-only academics, whites were more likely than BME colleagues to be on a permanent contract. While 10% of white research-only academics were on a permanent contract, only 6% of their black and other ethnicity colleagues, and 5% of Asians, were on a permanent contract. The proportions of white, black and other ethnicity academics in teaching-and-research posts on permanent contracts were very similar, at around 85%; the proportion of teaching-and-research Asian academics on permanent contracts was slightly lower, at 79%.

Ethnicity and casualisation, UK higher education 2003-4 – all academics

Terms of Employment	White	Black	Asian	Other (Including mixed)	Total
Open-ended/Permanent	60.7%	52.2%	35.7%	49.3%	55.4%
Fixed-term contract	39.3%	47.8%	64.3%	50.7%	44.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Source: HESA; percentage calculations by UCU

Ethnicity and casualisation, UK higher education 2003-4 – teaching-only academics

Terms of Employment	White	Black	Asian	Other (Including mixed)	Total
Open-ended/Permanent	38.8%	32.2%	26.0%	29.4%	33.9%
Fixed-term contract	61.2%	67.8%	74.0%	70.6%	66.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Source: HESA; percentage calculations by UCU

Ethnicity and casualisation, UK higher education 2003-4 – research-only academics

Terms of Employment	White	Black	Asian	Other (Including mixed)	Total
Open-ended/Permanent	10.4%	5.9%	4.6%	5.8%	8.9%
Fixed-term contract	89.6%	94.1%	95.4%	94.2%	91.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Source: HESA; percentage calculations by UCU

Ethnicity and casualisation, UK higher education 2003-4 – teaching-and-research academics

Terms of Employment	White	Black	Asian	Other (Including mixed)	Total
Open-ended/Permanent	86.1%	84.4%	78.6%	84.3%	84.4%
Fixed-term contract	13.9%	15.6%	21.4%	15.7%	15.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Source: HESA; percentage calculations by UCU

Non-academic professional staff

Among non-academic professional (NAP) staff in UK higher education, slightly more than two-thirds were employed on permanent contracts in 2003-4. Female NAP staff were slightly more likely than their male colleagues to be employed on a permanent contract. White NAP staff were a little more likely than their BME colleagues to be employed on a secure contract. 71% of white NAP staff were on permanent contracts, compared with 67% of black NAP staff, 64% of Asian NAP staff and 62% of NAP staff of other ethnicity.

Gender and casualisation, UK higher education 2003-4 – NAP staff

Terms of Employment	Female	Male	Total
Open-ended/Permanent	71.1%	67.7%	69.5%
Fixed-term contract	28.9%	32.3%	30.5%
Total	100.0%	100.0%	100.0%

Source: HESA; percentage calculations by UCU

Ethnicity and casualisation, UK higher education 2003-4 – NAP staff

Terms of Employment	White	Black	Asian	Other (Including mixed)	Total
Open-ended/Permanent	70.8%	66.6%	63.7%	61.6%	69.5%
Fixed-term contract	29.2%	33.4%	36.3%	38.4%	30.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Source: HESA; percentage calculations by UCU

Comment

With nearly half of academic staff on fixed-term posts, a figure that rises to an astounding 91% for research-only staff, and 31% of non-academic professional staff employed fixed-term, the abuse of these staff remains one of UK higher education's biggest scandals. It is also a matter of concern that female academics are more likely to be on a fixed-term contract than their male colleagues, and that white academic and non-academic professional staff are more likely than BME colleagues to be on permanent contracts.

Staff on fixed-term contracts have the least job security in the sector, and often have inferior terms and conditions to their permanent colleagues. It was for these reasons that we campaigned long and hard for the Fixed Term Employees (Prevention of Less Favorable Treatment) Regulations that were introduced in 2002 and came into force in 2006.

Fixed-term contracts:

- leave many staff feeling very exposed and undervalued;
- lead to staff having difficulty getting loans, mortgages and other financial benefits;
- lead to significant recruitment and retention problems in the sector;
- are discriminatory, as their use disproportionately affects women, black and other minority groups of workers;
- are a significant drain on an institution's resources;
- destroy the possibility of career progression as individuals find themselves stuck on the lowest pay grades, on a succession of short-term, poorly funded projects which offer no room for staff development;
- have a negative impact on the research culture of universities;
- mean staff coming to the end of contracts must inevitably spend time applying for funding or other posts;
- deny the importance and value post holders have for their institution when they are repeatedly renewed.

Our aim is to achieve rewarding career paths for all staff currently on fixed-term contracts, by delivering job security. We were influential in the creation of the Regulations introduced in 2002 and in developing the Joint Negotiating Committee for Higher Education Staff (JNCHES) guidance on fixed-term and casual employment in higher education, which together represent significant progress for staff in higher education. The Universities and Colleges

Employers' Association (UCEA) has also produced information on reviewing and reducing the use of fixed-term contracts. If used properly the regulations and associated JNCHES and UCEA guidance should bring about a genuine decline in the use of fixed-term contracts. We urge the government to encourage best practice in the sector in the transfer of staff from fixed-term to permanent contracts. We welcome the steps taken by some higher education institutions recently to reduce or eliminate the use of fixed-term contracts for academic staff, and we look to other HEIs to follow this lead in employment good practice.

31 Equal opportunities

The Independent Review of Higher Education Pay and Conditions, chaired by Sir Michael Bett (1999), drew attention to gender inequalities in higher education. The 1999 report, 'Ethnicity and employment in higher education', published by the Policy Studies Institute, found evidence that ethnic minority staff were disadvantaged.

In 2000 the Commission for Black Staff in Further Education investigated the reasons for the under-representation of black and minority ethnic staff at all levels in the sector, and made a number of important recommendations to improve the number and conditions of BME staff.

The 2006 FE White Paper said: 'Sir Andrew Foster rightly identified that there is more to be done to address the current lack of diversity within the workforce. Too many minority groups continue to be under-represented, especially at senior levels, and face barriers to progression in the sector.'[168] To tackle these problems, the Centre for Excellence in Leadership will be working to progress under-represented groups in leadership positions. The DfES says it will review the diversity of the workforce to ensure that legal obligations are met and to actively promote equality and diversity. The DfES will be asking Lifelong Learning UK to assess annually the workforce diversity profile.

The section of this report on staffing highlights the under-representation of BME staff in a number of areas in further and higher education. BME academics in higher education are under-represented on senior academic grades compared with the proportion of BME academic staff overall. In 2003-4, only 4% of professors in the pre-1992 sector were BME staff. BME academics earn less on average than their white colleagues, and are less likely to be awarded discretionary pay.

ECU

The Equality Challenge Unit (ECU) was established in 2000, following an extensive consultation across the higher education sector about how to advance equal opportunities. The ECU is funded by the UK's higher education funding bodies and the two institutional representative bodies (Universities UK and SCOP). The ECU has primarily delivered an advisory and representation role for the sector in the past five years. While this is a useful focal point, the Unit should now place a greater emphasis on challenging the sector to take action and deliver equality for staff.

JNCHES

Through the Joint Negotiating Committee for Higher Education Staff (JNCHES), a range of advice and guidance on equalities issues has been provided to the sector. This includes:

- Equal Pay Reviews: guidance for Higher Education Institutions, March 2002;
- Partnership for Equality: Action for Higher Education, February 2003;
- Work-life balance, July 2003;
- Race Equality – Communication and Consultation Report and Toolkit for Higher Education.

Despite these initiatives, there has been a widespread failure in the sector to implement the recommendations in the guidance; the gender and ethnicity pay gaps remain shockingly wide.

We believe that without mandatory equal pay reviews there will be no change. The HE sector provides an instructive example. In March 2002, all institutions and trade unions signed up to sector-wide guidance on equal pay reviews. JNCHES guidance was produced in line with good practice recommended by the Equal Opportunities Commission. It set out a three-step approach which entails: stage one: analysis (equality check); stage two: diagnosis (pay review); stage three: action.

However, there has been a failure to implement the guidance, and very few institutions have carried out full equal pay audits jointly with trade unions since March 2002. Under the Freedom of Information Act, the AUT wrote to all HE institutions which had indicated they had undertaken an equal pay review in July 2005, requesting disclosure of equal pay review results. Only five had carried out basic or pilot reviews, some of which were prior to March 2002.

Introduction of the public sector duties

Further and higher education institutions have been very slow to respond to the new duties to promote equality introduced in the Race Relations (Amendment) Act 2000. In many institutions this has resulted in little more than a paper exercise, with a focus on processes rather than outcomes. Impact assessments of key policies and procedures are still not regularly taking place and there has been a lack of engagement with the key stakeholders: black and minority ethnic staff, and trade union representatives.

The Learning and Skills Council has failed to provide adequate monitoring data in the further education sector, an omission which appears to breach its duties under the RR(A)A. We are concerned that the failure to understand and act upon the positive duty within the RR(A)A will be reflected in how institutions implement the forthcoming duties on disability and gender.

We believe the public sector duties should be extended to all equality areas. This would, for example, be a key tool in promoting equality on the grounds of sexual orientation and begin to tackle the endemic problem of homophobic bullying in colleges.

How the duty will be enforced and how public bodies will be made to comply with them will be crucial to the legislation's effectiveness, and the speed of its implementation. Compliance should be measured on actions and outcomes.

There needs to be a strategic approach based on enforceable duties that prompt strategic priorities and coordinated action.

Age

The introduction of the age regulations in October 2006 will have implications for further and higher education institutions if the culture shift envisaged by the government is to be brought about. We would support resources being allocated for sector specific training, and statutory codes of practice, to ensure age discrimination is eradicated in our colleges and universities.

Comment

There have been a number of major initiatives and reports over the past ten years which have concluded that more action is needed in the further and higher education sectors to achieve equality of opportunity in employment practices. We welcome the commitment of the 2006 FE White Paper to 'promote greater equality and a more diverse workforce'. We are all aware that more needs to be done.

To promote equality of opportunity in further and higher education, we call for:

- a commission in higher education to consider the position of BME staff in the sector;
- a similar body in further education to higher education's Equality Challenge Unit, with equal levels of resource, to take forward the significant challenges facing the sector;
- mandatory pay reviews to implement equality legislation and guidance in further and higher education sector;
- a substantial improvement in the monitoring data provided by the Learning and Skills Council to meet the requirements of the positive duty legislation in respect of race, disability and gender;
- improvements by the Higher Education Statistics Agency in the quality of its data coverage;
- an urgent and critical assessment of institutional practice in relation to impact assessments under the Race Relations (Amendment) Act 2000, to ensure lessons are learned when implementing the Disability Equality Duty from December 2006, and the Gender Equality Duty from April 2007.

32 Information, Advice and Guidance (IAG) for learners and students

Further and adult education

Currently the Connexions Service supplies information, advice and guidance to young people from the age of 13 to 19. Adult IAG is delivered through local partnerships. There is also Learndirect, which is a national information service giving details of adult learning programmes and links to local providers.

The Green Paper 'Youth Matters' proposed changes in the Connexions Service to bring it back under local authority control and to make it service for all young people (currently Connexions prioritises those young people at most risk of not participating in education and training up to and after 16).

Comment

There can be no substantial progress in participation in learning and achievement and attainment among learners without a step change in the information, advice and guidance given to both young people and adults on their learning prospects.

The jungle of qualifications and routes to qualifications that confront young people and adults makes such on-going information, advice and guidance to continuing participation in education and training vital. Such IAG must also be linked to labour market information so that learners and potential learners can see where their learning may take them, and what the ultimate rewards for this may be in terms of future study and/or employment.

Without such IAG learners will continue to end up on learning programmes that do not match their requirements, aspirations and talents. Many studies have shown that poor or even wrong advice resulting in the learner being enrolled on the wrong course is one of the main reasons for student/learner drop-out in further education colleges and adult learning.

We call for a single IAG service covering both young people and adults. This would mean there would be one service and one location in any area where those wanting to embark on learning journeys could receive all the information, advice and guidance they required at various points in their lives: when leaving school and embarking on further learning and/or employment; when wishing to progress at work; and at the point of leaving work. Such a single service requires sufficient resources to enable it to offer a comprehensive service to all young people and adults who may wish to use it. Such resources would enable there to be suitable premises in every locality, which should be supported by national and regional promotional campaigns and the continuation of national information services such as Learndirect.

Since 1997 there has been a remarkable development of IAG in the workplace being supplied by union learning representatives, who receive

statutory time off to undertake their duties. However many have difficulties actually gaining this time. Additionally there is no statutory right for workers to have time to seek advice from the learning representative. We look to this being remedied and for continuing support in terms of access to continuing training and support. Funds for this could be directed through the recently established TUC 'unionlearn' service.

Higher education

Higher education institutions provide their own careers services, which offer advice, support and assistance to students and graduate employers. Careers services provide on-line vacancy bulletins, as well as facilities for employers to give presentations on campus to potential employees, and to interview students as part of the 'milkround'. In addition, graduate employer forums, run by some careers services, let employers forge closer links with HE institutions and their students.

Comment

The Dearing Report noted that good careeers advice was essential to students, and saw a two-fold role for careers services: providing advice to students, and contributing to the development of academic programmes.[169] We support Dearing's recommendation that careers services should be more fully integrated into academic programmes. We also think that integrating careers guidance at a higher education level with guidance in further education would be valuable, particularly where the two sectors meet.

33 Data

In both sectors there is a need for data which is sufficient to enable effective workforce planning. This is particularly the case in relation to the need to replace the current cohort of teaching staff in further and higher education who are soon to retire.

Further education

There is a need to ensure that comprehensive data on learners, staff and finance in further education is collected and published. Despite the Learning and Skills Council having a requirement under anti-discrimination legislation (including the Race Relations (Amendment) Act) to provide reliable data on the further education workforce, no adequate monitoring information is published relating to gender and ethnicity pay gaps. This is a matter of serious concern, and we recommend that it is tackled urgently.

We welcome the commitment of the DfES in its 2006 FE White Paper to promoting equality and diversity in the FE workforce, and that it will be reviewing this, as well as working with Lifelong Learning UK to assess annually the workforce diversity profile. We note that an essential prerequisite is that adequate workforce data are available, particularly in obtaining a comprehensive level of response to questions regarding demographic information.

We note the commitment in the White Paper to improved arrangements for data collection. While the focus of the White Paper was on gathering information about learners, we urge that adequate data on employees also needs to gathered and disseminated.

Comment

We support the recommendation in the Foster Review for ‘urgent rationalisation and simplification of the data collected as a priority’, with a more efficient system delivered by the end of 2007. We recommend that the sector works with the Higher Education Statistics Agency to learn from HESA’s experience and to develop good practice.

Higher education

Information on students, staff and institutions in higher education is gathered and published by the Higher Education Statistics Agency. We note the recent expansion of the staff record, which has brought with it considerable improvements in the depth and scope of information available.

Comment

We welcome the recent improvements to the scope of data gathering and provision by HESA on employees. But we are aware, if only anecdotally, of

gaps and weaknesses in data gathering at the institutional level, which are then passed on to the national datasets provided by HESA. There are particular gaps in information in information about the ethnicity and disability of employees. We call on institutions and HESA to work closely to plug gaps in data collection and improve the reliability of data for the sector.

Appendix One: Qualification levels

In terms of skills levels, levels 1-2 are lower, 3 is intermediate, and 4 upwards are higher (see Leitch Review interim report).

Framework level	Level indicators	Examples of qualifications
Entry	Entry level qualifications recognise basic knowledge and skills and the ability to apply learning in everyday situations under direct guidance or supervision.	Qualifications are offered at entry 1, entry 2 and entry 3, in a range of subjects
Level 1	Level 1 qualifications recognise basic knowledge and skills and the ability to apply learning with guidance or supervision. England, Wales & NI School Key Stage 4 lower attainment level.	NVQ 1; Certificate in Plastering; GCSEs Grades D – G; Certificate in Motor Vehicle Studies
Level 2	Level 2 qualifications recognise the ability to gain a good knowledge and understanding of a subject area of work or study, and to perform varied tasks with some guidance or supervision. England, Wales & NI School Key Stage 4 higher attainment level.	NVQ 2; GCSEs Grades A* – C; Certificate in Coaching Football; Diploma for Beauty Specialists
Level 3	Level 3 qualifications recognise the ability to gain, and where relevant apply a range of knowledge, skills and understanding.	Certificate for Teaching Assistants; NVQ 3; A levels; Advanced Extension Awards; Certificate in Small Animal Care
Level 4	Level 4 qualifications recognise specialist learning and involve detailed analysis of a high level of information and knowledge in an area of work or study.	Diploma in Sport & Recreation; Certificate in Site Management; Certificate in Early Years Practice; Certificates of higher education
Level 5	Level 5 qualifications recognise the ability to increase the depth of knowledge and understanding of an area of work or study to enable the formulation of solutions and responses to complex problems and situations.	Diploma in Construction; Certificate in Performing Arts; diplomas of HE; Foundation Degrees; HND
Level 6	Level 6 qualifications recognise a specialist high level knowledge of an area of work or study to enable the use of an individual's own ideas and research in response to complex problems and situations.	Bachelor's degrees; graduate certificates; Certificate or Diploma in Management
Level 7	Level 7 qualifications recognise highly developed and complex levels of knowledge which enable the development of in-depth and original responses to complicated and unpredictable problems and situations.	Masters degrees; postgraduate certificates and diplomas; Diploma in Translation; Fellowship in Music Literacy
Level 8	Level 8 qualifications recognise leading experts or practitioners in a particular field.	Doctorates; Specialist awards

Source: Foster Review 2005, amended

Appendix Two: Glossary

Acronym	What does it stand for?	Function
	Apprenticeships	2004 Modern Apprenticeships relaunched as Apprenticeships. Work-based training & off-the-job learning. Apprenticeships to level 2. Advanced Apprenticeships to level 3. Offered by more than 80 sectors of business & industry. Young Apprenticeships for 14-16s introduced in England in 2004, allowing Key Stage 4 pupils to do industry-specific vocational qualifications. In Scotland, Modern Apprenticeships available at level 3. The All Age programme in Wales covers all work-based learning programmes, which include the Modern and Foundation Modern Apprenticeship routes, and the Modern Skills Diploma for Adults (level 3+).
ABC	Action for Business College	'employer-friendly' FE college
ACM	Association for College Management	
AfC	Agenda for Change	LSC's programme for reforms to delivery of learning and skills – emphasis on directing funding to the 'front line'. Launched November 2004.
ALG	Adult Learning Grant	Being piloted (2005) in England for people aged 19+ studying for their first qualification equal to NVQ level 2 or 3. Max. £30 a week for all adults at level 2, but only for 19-30s at level 3.
ALG	Assembly Learning Grant	ALGs introduced in Wales in 2002-3 [HE and FE?]
ALI	Adult Learning Inspectorate	Inspects all 16-19 education and training in 6th form and FE colleges, in conjunction with Ofsted – ALI also inspects post-19 provision in colleges, work-based learning, adult education. Merging with Ofsted.
ALP	Association of Learning Providers	
AoC	Association of Colleges	Representative body for colleges of further education, including general FE colleges, sixth form colleges and specialist colleges in England, Wales (through association with *fforwm)* and Northern Ireland (through association with ANIC).
ASC	Association of Scottish Colleges	
BECTA	British Educational Communications and Technology Agency	
BSA	Basic Skills Agency	
BTEC	Business & Technology Council	
CBI	Confederation of British Industry	
CDL	Career Development Loan	To help people pay for vocational education or learning in Britain. Loans of £300 to £8,000.
CEL	Centre for Excellence in Leadership	
CIF	Common Inspection Framework	

CoVE	Centre of Vocational Excellence	CoVEs aim to meet skill requirements of employers by providing vocational skills training by occupation eg construction, horticulture, care, sport & leisure. LSC aims for 400 CoVEs by March 2006 (348 set up by April 2005). CoVEs are mainly based in FE colleges; also formed in partnerships with work-based learning providers.
CSR	Corporate Social Responsibility	
DELNI	Department for Employment and Learning	NI Executive department, responsible for HE, FE, employment, skill development & lifelong learning.
DfES	Department for Education and Skills	Government department responsible for education policy in England. Recent white papers: Skills – Getting on in busines, getting on in work (March 05) – launches Skills Academics; 14-19 Education and Skills (February 05) – launches vocational diplomas. DfES has a 5-year plan for education & skills.
E2E	Entry to Employment	Entry to level 1 LSC programme for 14-19s, helping 'disengaged' young people, not qualified to level 2, to take part in training.
ELL	Enterprise & Lifelong Learning	Scottish Executive department responsible for FE.
ELWa	National Council for Education & Training for Wales	Similar remit to LSC. From April 2006 being merged with the Welsh Assembly Government.
EMA	Education Maintenance Allowance	Means-tested allowance for FE learners, £10-£30 a week (2005) introduced in England September 2004 for young people aged 16, in return for strong attendance at school/college. EMAs also available on pilot basis (2005) for learners aged 17+. Similar schemes in rest of UK.
	Eight in ten	Report by Niace into adult learning in colleges
ETP	Employer Training Pilot	Developing a national training model that is responsive to employers' needs – LSC ETPs have helped >25,000 business and 200,000 employees (by 2005)
	Estyn	Welsh education inspectorate
FD	Foundation Degree	Vocational HE programme, introduced in England in 2001; also availabe in Wales & NI. >24,000 students on FDs in 2003-4.
FE	Further Education	
	Fees	Adults are expected to contribute to the cost of their FE tuition unless on low income or studying basic skills.
FEC	Further education college	
FEFC	Further Education Funding Council	Replaced by LSC
GCSE	General Certificate of Secondary Education	
GFEC	General Further Education College	
HE	Higher Education	
HEFCE	Higher Education Funding Council for	

	England	
HEI	Higher education institution	
HESA	Higher Education Statistics Agency	
	incorporation	FE colleges in England became incorporated in 1993, self-governing rather than run by local education authorities
ILA	Individual Learning Accounts	In Wales, for further education [& HE?]
LEA	Local Education Authority	Responsible for schools (including sixth forms) and local adult education services.
	Learndirect	Network of online learning and information services provided by Ufi Ltd.
LEC	Local Enterprise Company	LECs are responsible for delivering Scottish Executive's national training programmes. Run under contract to Scottish Enterprise and Highlands & Islands Enterprise.
LGA	Local Government Association	
LLN	Lifelong Learning Network	
LLSC	Local Learning and Skills Council	47 in England.
LLUK	Lifelong Learning UK	
LSC	Learning and Skills Council	Public body responsible for planning and funding education and training for everyone in England over 16 (includes FECs, school 6th forms, 6th form colleges, adult education; excludes HE). Took over responsibility in April 2001. Its goal is to improve young peoples' skills. 'Agenda for Change' is its development programme. Has 9 regions and 47 local LSCs. Created under Learning & Skills Act 2000.
LSDA	Learning and Skills Development Agency	Formed in 2001; being relaunched in 2006 as Quality Improvement Agency and Learning and Skills Network
LSF	Learner Support Funds	These are available to support FE learners aged 16-19, for course-related costs, incl. transport, childcare, residential costs where EMA is insufficient. LSFs for older learners include Hardship Funds, towards cost of books, equipment, transport & tuition
LSN	Learning and Skills Network	Successor to the Learning and Skills Development Agency
NBM	Network for Black Managers	
NBSS	National Basic Skills Strategy for Wales	Started 2001 to tackle basic skills deficiencies in Wales.
ND	New Deal	
NoE	Networks of Excellence	Networks piloted in Wales aiming to colleges and industry by involving employers in design and delivery of courses to meet needs of business sectors.
NDPB	Non Departmental Public Body	

NETP	National Employer Training Programme	To be rolled out [in England?] by August 2006, providing 'new brokerager services' alongside free tuition to level 2
NIACE	National Institute for Adult Continuing Education	
NQF	National Qualifications Framework	Covers NVQs, SVQs, as well as Business & Technology Council (BTEC) and City & Guilds Craft awards. Vocational GCSEs and Vocational A levels in England, Wales & NI are an alternative to GCSEs and A levels, and are offered at levels 2 & 3 respectively of the NQF. In Scotland, there is the Scottish Credit & Qualifications Framework. In Wales, there is the Credit & Qualifications Framework, with Individual Learning Accounts (ILAs).
NTI	New Technology Institutes	Partnerships of HE, FE & private sector; 18 set up in England. Advise & support SMEs on adopting new technology and business practices.
NVQ	National Vocational Qualification	Occupationally specific, eg engineering, construction, health, social care, based on competencies, workplace-assessed. Also all-sector areas eg administration, management, customer services. Qualifications derived from national standards developed by employer-led bodies & approved across UK by QCA & Scottish Qualifications Authority. NVQs or SVQs awarded at levels 1-5.
Ofsted	Office for Standards in Education	Inspects all 16-19 education and training in 6th form and FE colleges, in conjunction with Adult Learning Inspectorate – ALI also inspects post-19 provision in colleges, work-based learning, adult education. Merging with ALI.
PLPs	Programme Led Pathways	Introduced in England in 2004 for young people aged 16+ not in employment or waiting to start employment. A route into Apprenticeships & Advanced Apprenticeships.
QAA	Quality Assurance Agency	Responsible for quality assurance and academic standards in UK higher education.
QCA	Qualifications and Curriculum Authority	Body charged with regulating exams and curriculum in England.
QIA	Quality Improvement Agency for Lifelong Learning	New FE quality assurance public body, starting April 2006. It will lead development of a Quality Improvement Strategy for the sector and it will help providers respond to the government's strategic priorities. Will commission quality improvement programmes.
QR	Quality-Related research funding	Recurrent funding for research allocated largely on the basis of performance in the Research Assessment Exercise
QTS	Qualified Teacher Status	
RAE	Research Assessment Exercise	A periodic review of the quality of research undertaken by academic staff in UK higher education institutions, which is used to determine the level of recurrent funding for university research. The next RAE is in 2008.
RDA	Regional Development Agency	9 in England. House the Regional Skills Partnerships; also responsible for the Business Link network & NETP brokerage.

RSP	Regional Skills Partnership	Partnership linking LSC, Jobcentre, SSDA, RDA, HEFCE & other bodies in a particular region in England.
SA	Skills Academy	Launched 2005. Employer & LSC sponsored skills institutions. The first SA is the Fashion Retail Academy, jointly funded by LSC and Arcadia and supported by others incl M&S, Next. 4 more SAs planned for 2006-7. Sas are intended to be employer-led institutions delivering sectoral skill needs.
SfA	Success for All	SfA white paper 2002 launched LSC programme, including CoVEs. Success for All is the long-term reform strategy to develop the high-quality, demand-led, responsive colleges and providers in the learning and skills sector.
SCQF	Scottish Credit & Qualifications Framework	Scottish version of NQF, but brings all academic and vocational Scottish qualifications into a single unified framework.
SFCF	Sixth Form College Forum	
SFL	Skills for Life	National strategy for improving adult literacy and numeracy in England – covers literacy, language (EsoL), numeracy needs of post-16 learners, from pre-entry level up to & including level 2. Oct 2003 DfES reported that 5 million 16-65s had literacy skills below level 1 English, and 15 million had numeracy skills below level 1 maths. See also National Basic Skills Strategy for Wales; Scottish Adult Literacy & Numeracy strategy, launched 2001; Essential Skills for Living strategy in Northern Ireland, launched 2002.
SQA	Scottish Qualifications Authority	Approves SVQs.
SSA	Sector Skills Agreement	Prepared by the Sector Skills Councils, SSAs set out the skill needs of employers in individual industries. At May 2005, 4 SSAs had been signed.
SSDA	Sector Skills Development Agency	Funds and supports UK-wide SSCs. SSCs & SSDA together form the Skills for Business Network.
SSC	Sector Skills Council	SSCs are UK-wide; replaced the National Training Organisations in 2001. Total 25 – all now set up. Independent organisations developed by groups of employers, bringing together employers, TUs & professional bodies. Represent >85% UK workforce.
SVQ	Scottish Vocational Qualification	
TEC	Training and Enterprise Council	Functions taken over by LSC.
TTG	Train to Gain	National 'demand-led' programme for adult learners, starting April 2006, to deliver training, normally in the workplace, 'designed and delivered to suit the employer's operational needs' (DfES WP 2006)
TUC	Trades Union Congress	
ULA	Union Learning Academy	To bring together various TU learning initiatives, including training centres for ULRs.
ULR	Union Learning Representative	

	UK Skills	Independent body responsible for promoting skills agenda. Oversees national training awards & skills olympics.
VET	Vocational Education and Training	
WEA	Workers' Educational Association	Largest UK voluntary provider of adult educaiton. Over 10,000 courses a year. Supported by LSC, ELWa, Scottish Exec.
WP	Widening Participation	

Source: Foster Review 2005; amended & expanded

Endnotes

[1] Report of the Foster Review, November 2005, p. 10.
[2] "*BBC Sunday AM"* TV interview with Andrew Marr 8 January 2006
[3] Speech to TUC 13 September 2005
[4] Speech, 13 January 2005 www.bbc.co.uk
[5] DfES, p. 4.
[6] Budget speech, March 2006
[7] Speech to TUC 13 September 2005
[8] Toby Helm (2006), University fees likely to rise, says Brown, Daily Telegraph 6 June 2006 http://www.telegraph.co.uk/news/main.jhtml?xml=/news/2006/06/06/nuni06.xml&sSheet=/news/2006/06/06/ixuknews.html
[9]NATFHE (2001) In From the Cold? Part-time teaching, professional development and the ILT, A Union Learning Fund Project led by NATFHE.
[10] DfES (2006), Raising skills, improving life chances, p. 54.
[11] DfES (2006), Raising skills, improving life chances, p. 14.
[12] DfES (2006), Raising skills, improving life chances, p. 17.
[13] University of Strathclyde (2002), The impact of higher education institutions on the UK economy, London: Universities UK, cited in DfES (2003), The future of higher education, p 10. The data referred to were for 1999-2000.
[14] Source: DfES analysis of 02/3 college accounts, in http://www.dfes.gov.uk/furthereducation/fereview/downloads/Paul_Mounts_FE_presentation.ppt - Appendix 5 of the Foster report (2005).
[15] Scottish Executive (2004), Building a Better Scotland, table 8.01, at www.scotland.gov.uk/library5/
[16] LSC annual report and accounts for 2004-05, p. 2.
[17] Because of different methodologies used by the Treasury in recording public expenditure since 1997, two tables have been used, the first to 2001 showing Total Managed Expenditure (TME: including recurrent, capital and annually managed expenditure; data presented on a cash basis), and the second for 1999-2005, with slightly lower figures where these overlap, showing Total Expenditure on Services (TES: similar to TME, but excluding central government finance to local authorities and general government capital expenditure; data presented on an accruals basis).
[18] the most recent year for which FE funding was given in the Treasury's Public Expenditure Statistical Analyses 2005
[19] DfES (2006), Raising skills, improving life chances, p. 53.
[20] Colin Flint (2005), Staff in FE, think piece for Foster Review (Nov 2005) at http://www.dfes.gov.uk/furthereducation/fereview/downloads/StaffinFEThinkPiece_ColinFlint.doc
[21] http://www.hm-treasury.gov.uk/budget/budget_05/bud_bud05_speech.cfm
[22] P. 84.
[23] http://www.aoc.co.uk/aoc/fe_manifesto/manifesto.doc
[24] 8 January 2006 Tony Blair MP, Prime Minister, on *'BBC Sunday AM'.*
[25] DfES (2006), Raising skills, improving life chances, p. 70.
[26] Covering NI's four HE institutions: The Queen's University of Belfast; St Mary's University College; Stranmillis University College; University of Ulster.
[27] Report for UUK/HEFCE from CHERI and London South Bank University, November 2005.
[28] In the OECD's Main Science and Technology Indicators, data on the proportion of R&D financed by abroad were not available for the US and the OECD.
[29] http://www.whitehouse.gov/news/releases/2006/01/20060131-10.html
[30] HEFCE, April 2004.
[31] HEFCE 2005/41, Review of the teaching funding method
[32] http://www.hefce.ac.uk/pubs/hefce/1997/c6_97.htm
[33] http://www.hefce.ac.uk/pubs/hefce/2006/06_08/
[34] HESA Finance Plus 1997/98 CD, table 5
[35] http://www.hefcw.ac.uk/Research_Docs/W0609HE_circ.pdf
[36] http://www.sfc.ac.uk/library/11854fc203db2fbd000000ed6cab5229/0797.html
[37] http://www.sfc.ac.uk/library/06854fc203db2fbd0000010a0244a88c/sfc_22_06.html
[38] HEFCE 2003/10: para 36
[39] The most recent year for which recurrent research allocations were available at the time of writing.
[40] Share of recurrent funding for research in Northern Ireland: 1997-8: QUB 67%; Ulster 33%. 2005-6: n/a.
[41] Speech 22 November 2005, UK Research Base Funders' Forum conference.
[42] Speech 22 November 2005, UK Research Base Funders' Forum conference
[43] House of Commons Education and Skills Committee, 16 November 2005
[44] Grant letter from Charles Clarke, secretary of state for education and skills, to chairman of HEFCE, 22 January 2003
[45] HEFCE (2005) Capital funding for learning and teaching, research and infrastructure, Bristol: HEFCE, Circular 2005/08, para. 13.
[46] HEFCW (2003), Recurrent grant 2003-4, Circular W03/18HE, 1.4.03
[47] HEFCW (2003), Indicative Capital Funding for Learning and Teaching and IT Infrastructure 2004-5 and 2005-6, Circular W03/39HE, 10.6.03
[48] SHEFC (2005) Main grants in support of teaching and research 2005-06, Edinburgh: SHEFC, Circular HE/08/05, para 4.
[49] Since 1998 the Wellcome Trust has invested more than £600m in total in the UK's university research infrastructure, and intends to spend a further £1.5bn on infrastructure, research and training in the five years following the publication of the government's 10-year plan for science in 2004 – see Science and innovation investment framework 2004-14, box 1.2.
[50] DfEE grant letter, 8 December 1998, para. 35.

[51] DfES grant letter, 29 November 2000, para. 26.
[52] DfES grant letter, 22 January 2003, para. 16.
[53] HM Treasury et al (2004), Science & innovation Investment Framework 2004-14, para. 2.27.
[54] Welsh Office grant letter, 15 December 1998.
[55] National Assembly for Wales grant letter, 22 December 2000; letter does not indicate specific amount for science research infrastructure.
[56] HEFCW (2005), W05/06HE, para. 11: SRIF3 funding for 2004-5 and 2005-6: £21.5 million in total.
[57] HEFCW (2003), W03/07HE, para. 10: SRIF2 funding for 2004-5 and 2005-6: £21.5 million in total.
[58] Scottish Office grant letter, 9 December 1998.
[59] SHEFC (2001), Circular HE/05/2001, para. 2.
[60] SHEFC (2005), Circular HE/02/05, para. 10. SRIF3 funding for 2006-7 and 2007-8: £30 million in total.
[61] SHEFC (2003), Circular HE/05/03, para. 9: SRIF2 funding for 2004-5 and 2005-6: £30 million in total.
[62] JIF included £300 million from the Wellcome Trust
[63] SRIF1 also included £225 million from the Wellcome Trust, and £100 million retained by the OST for modernising Research Council institutes.
[64] DfES (2006), Raising skills, improving life chances, p. 38.
[65] HEFCE, *Higher education-business interaction survey 2000-01*, March 2003/11, p. 10.
[66] HEFCE, *Higher education-business interaction survey 2000-01*, March 2003/11, p. 13.
[67] Budget statement, 16 March 2005
[68] http://www.hefce.ac.uk/pubs/hefce/2005/05_46/05_46.doc
[69] http://www.hefcw.ac.uk/Business_and_Community/mission_fund.htm
[70] HEFCE circular 2005/07
[71] Para. 8a.
[72] The report said most of the apparent drop is accounted for in English regions, and some HEIs have reported that previous years' figures may have been double counted.
[73] Para. 36.
[74] Sachi Hatakenaka (2005), Development of third stream activity: lessons from international experience, Oxford: HEPI, para 3, 6.
[75] Sachi Hatakenaka (2005), Development of third stream activity: lessons from international experience, Oxford: HEPI, para 7.
[76] DfES (2003), *The future of higher education*, Cm 5735, para 3.4
[77] DfES (2003), *The future of higher education*, Cm 5735, para 3.7
[78]For a summary of the Missenden Code, see http://www.missendencentre.co.uk/docs/MissCode.pdf
[79] This section is based on the code for Commercialisation, Research and Academic Freedom, developed by the Association of University Staff of New Zealand; see Donald C Savage, 'Academic Freedom and Institutional Autonomy in New Zealand Universities', in Crozier, R. (ed.) *Troubled Times - Academic Freedom in New Zealand*, 2000, Paterson North, NZ: Dunmore Press, pp. 121-2.
[80] CIHE & IBE (2005), Ethics Matters: Managing Ethical Issues in Higher Education, published by the Council for Industry and Higher Education and Brunel University.
[81] Gareth Parry (2005), The higher education role of further education colleges, think piece for Foster Review, at http://www.dfes.gov.uk/furthereducation/fereview/downloads/Higher_EducationinFE_Gareth_Parry.doc
[82] HESA (2005), Students in Higher Education Institutions 2004/05, Cheltenham: HESA, p. 59.
[83] HEFCE 2003/16, Supporting higher education in further education colleges, p. 3.
[84] HEFCE 2003/16, Supporting higher education in further education colleges, p. 3.
[85] Gareth Parry (2005), The higher education role of further education colleges, think piece for Foster Review, at http://www.dfes.gov.uk/furthereducation/fereview/downloads/Higher_EducationinFE_Gareth_Parry.doc
[86] HEFCE 2006/08, Recurrent grants for 2006-7.
[87] DfES (2002), Departmental Report 2002, p. 108.
[88] DfES (2005), Departmental Report 2005, p. 67.
[89] Charles Clarke, DfES annual grant letter to HEFCE, 8 January 2004, para. 10.
[90] http://www.hefce.ac.uk/pubs/hefce/2004/04_15/04_15.doc, para. 3.
[91] Gareth Parry (2005), The higher education role of further education colleges, think piece for Foster Review, at http://www.dfes.gov.uk/furthereducation/fereview/downloads/Higher_EducationinFE_Gareth_Parry.doc
[92] Gareth Parry (2005), The higher education role of further education colleges, think piece for Foster Review, at http://www.dfes.gov.uk/furthereducation/fereview/downloads/Higher_EducationinFE_Gareth_Parry.doc
[93] Scottish Executive (2005), Further education in Scotland 2004, p. 7.
[94] Scottish Executive (2001), Further education in Scotland 2000, Appendix 4.
[95] Scottish Executive (2005), Further education in Scotland 2004, Appendix 4.
[96] pre-Budget report statement, 5 December 2005
[97] House of Commons Education and Skills Committee, 2 November 2005
[98] http://www.lsc.gov.uk/National/Media/PressReleases/pr334collegesfinancialplans.htm
[99] DfES Grant letter: 2006-7 to chairman, LSC, 30 October 2005
[100] http://readingroom.lsc.gov.uk/lsc/2005/funding/streams/fe-funding-for-2005-06-academic-year.pdf
[101] The Leitch Review of skills in the UK identifies 'generic' skills, such as team-working, communication, literacy and numeracy, which are relatively transferable, and 'specific' skills, such as machine operation, which are less transferable – and says most occupations involve a mix of the two. The most common measure of skills is qualifications, although it is possible to have skills without qualifications, such as through on-the-job training not linked to a qualification. Levels of literacy and numeracy are also used as measures of skills, usually through surveys.
[102] Leitch Review, Skills in the UK: The long-term challenge, interim report, HM Treasury, December 2005, p.1.
[103] Leitch Review, Skills in the UK: The long-term challenge, interim report, HM Treasury, December 2005, p.8.
[104] Leitch Review, Skills in the UK: The long-term challenge, interim report, HM Treasury, December 2005, p.10.
[105] Leitch Review, Skills in the UK: The long-term challenge, interim report, HM Treasury, December 2005, p.10.
[106] Leitch Review, Skills in the UK: The long-term challenge, interim report, HM Treasury, December 2005, p.11.
[107] Leitch Review, Skills in the UK: The long-term challenge, interim report, HM Treasury, December 2005, p.11.

[108] DfES (2006), Raising skills, improving life chances, p. 21.
[109] (Skills Dialogue 14: An Assessment of Skills Needs in Post-16 Education and Training)
[110] Julia Braggins, 'Shared Responsibilities', NATFHE-AoC, November 2001.
[111] Social Exclusion Unit (2002), Reducing re-offending by ex-prisoners.
[112] DfES (2005), Reducing Re-offending Through Skills and Employment.
[113] 14-19 Education and Skills, February 2005, Cm 6476, p. 5.
[114] Gareth Parry (2005), The higher education role of further education colleges, think piece for Foster Review, at http://www.dfes.gov.uk/furthereducation/fereview/downloads/Higher_EducationinFE_Gareth_Parry.doc
[115] Paras 74-75.
[116] Wendy Alexander, former Minister for Enterprise and Lifelong Learning, foreword to Scottish Executive (2001), Further education in Scotland 2000.
[117] Foreword to Scottish Executive (2005), Further education in Scotland 2004.
[118] DfES (2006), Raising skills, improving life chances, p. 29.
[119] To 2001-2, the data refer to the proportion of students in HE from social classes IIIM, IV and V; from 2002-3, the data refer to the proportion of students in HE from National Statistics Socio-Economic Classification (NS-SEC): classes 4 to 7; The new classification has seven analytic classes and groups 1 to 3 are used as 'high' class and 4 to 7 as 'low'. This change in methodology has increased the overall percentage from lower socio-economic classes by over 2.5%.
[120] Ruth Kelly, 31 January 2006.
[121] 16 November 2005 speech to AoC conference
[122] House of Commons Education & Skills Committee 2 November 2005
[123] CHERI & London South Bank University (2005), Survey of higher education students' attitudes to debt and term-time working and their impact on attainment, p. 7.
[124] David Turner, Students expected to end up £15,000 in debt, Financial Times, 28.1.05 p. 2.
[125] Claire Callender et al (2005), Higher and Further Education Students' Income, Expenditure and Debt in Scotland, http://www.scotland.gov.uk/Publications/2005/11/04111002/10030
[126] Action on Access, 2005, Higher Education in the USA, Student fees, financial aid and access
[127] DfES (2006), Raising skills, improving life chances, p. 73.
[128] Para 247
[129] LLUK (2005) Further education workforce data for England, p 46.
[130] LLUK (2005) Further education workforce data for England, p 28.
[131] DfES data analysis for Foster Review: http://www.dfes.gov.uk/furthereducation/fereview/downloads/Paul_Mounts_FE_presentation.ppt
[132] Letter to Times Educational Supplement, FE Focus, 10.2.06, p. 4.
[133] The data in this section were from a report in 2005 by the Association of University Teachers, The Diverse Academy, based on HESA data. See: http://www.aut.org.uk/media/pdf/5/r/diverseacademy_oct05.pdf
[134] Where ethnicity is known
[135] for whom information was provided
[136] Hilary Metcalf et al (2005), Recruitment and Retention of Academic Staff in Higher Education, London: National Institute of Economic and Social Research and Department for Education and Skills, RR658, p. 39.
[137] UCEA (2005), Recruitment and retention of staff in higher education 2005, Summary, p. 9.
[138] The jump in the ratio between 2002-3 and 2003-4 is in part be due to the revised staff data collection methodology of the Higher Education Statistics Agency, with a sharp rise in the number of part-time academics, and reduction in full-time academics.
[139] http://www.hefce.ac.uk/pubs/hefce/2005/05_06/ para 44
[140] The jump in the SSR between 2002-3 and 2003-4 is likely to reflect the change in the staff data collection methodology by HESA, giving a more accurate picture of the mode of employment of academic staff: in particular, the large increase in 2003-4 in the number of part-time staff, and the reduction in full-time staff, compared with the previous year, contributed to an increase in the SSR.
[141] In FTE calculation, part-time = 50% of full-time, except for 2003-4, when HESA New Individualised Staff Record FTE figure used; academic staff includes teaching-only and teaching-and-research staff, but excludes research-only staff. HESA's New Individualised Staff Record from 2003-4 results in a break in continuity in the data: the NISR in 2003-4 is designed to include academic staff working on less that a 25% FTE contract, and shows a large increase in part-time teaching-only staff, and a slight decrease in teaching-and-research academic staff. The 2003-4 NISR provides a staff FTE figure using proportion of contract data, and is therefore more accurate than the staff FTE for previous years.
[142] In FTE calculation, part-time = 50% of full-time, except for 2003-4, when HESA New Individualised Staff Record FTE figure used; academic staff includes teaching-only and teaching-and-research staff, but excludes research-only staff. HESA's New Individualised Staff Record from 2003-4 results in a break in continuity in the data: the NISR in 2003-4 is designed to include academic staff working on less that a 25% FTE contract, and shows a large increase in part-time teaching-only staff, and a slight decrease in teaching-and-research academic staff. The 2003-4 NISR provides a staff FTE figure using proportion of contract data, and is therefore more accurate than the staff FTE for previous years.
[143] Organisation for Economic Co-operation and Development
[144] The difference between the SSRs for the UK in tables 1 and 2 may be due to the use of different factors in calculating the full-time equivalent ratio: the factor used in table 1 was 0.5; the factor used in the OECD full-time equivalent data was not stated.
See http://www.oecd.org/dataoecd/36/36/35324994.pdf
[145] HEFCE (2005), Report on the higher education workforce 2005, draft, para 33.
[146] P. 2.
[147] P. 15.
[148] Colin Flint (2005), Staff in FE, think piece for Foster Review (Nov 2005) at http://www.dfes.gov.uk/furthereducation/fereview/downloads/StaffinFEThinkPiece_ColinFlint.doc

[149] Colin Flint (2005), Staff in FE, think piece for Foster Review (Nov 2005) at http://www.dfes.gov.uk/furthereducation/fereview/downloads/StaffinFEThinkPiece_ColinFlint.doc
[150] Colin Flint (2005), Staff in FE, think piece for Foster Review (Nov 2005) at http://www.dfes.gov.uk/furthereducation/fereview/downloads/StaffinFEThinkPiece_ColinFlint.doc
[151] LLUK (2005) Further education workforce data for England, p 22.
[152] Colin Flint (2005), Staff in FE, think piece for Foster Review (Nov 2005) at http://www.dfes.gov.uk/furthereducation/fereview/downloads/StaffinFEThinkPiece_ColinFlint.doc
[153] DfES (2006), Raising skills, improving life chances, p. 50.
[154]Independent Review of Higher Education Pay and Conditions (1999), para 320.
[155]HEFCE (2002) Interim evaluation of the Rewarding and Developing Staff in Higher Education initiative, para 35
[156]NATFHE (2001) In From the Cold? Part-time teaching, professional development and the ILT, A Union Learning Fund Project led by NATFHE.
[157] Colin Flint (2005), Staff in FE, think piece for Foster Review (Nov 2005) at http://www.dfes.gov.uk/furthereducation/fereview/downloads/StaffinFEThinkPiece_ColinFlint.doc
[158] Guy Goodwin (2005), Man with a mission, ATL report, December, p. 17.
[159] Colin Flint (2005), Staff in FE, think piece for Foster Review (Nov 2005) at http://www.dfes.gov.uk/furthereducation/fereview/downloads/StaffinFEThinkPiece_ColinFlint.doc
[160] the average referred to is the mean
[161] Measured by the all-items Retail Price Index
[162] No data on pay and ethnicity among further education staff were available at the time of writing.
[163] Given the relatively small numbers of academic staff in Northern Ireland, this may result have been caused by highly-paid BME outliers affecting the average; the result was not replicated in later years.
[164] The data in this paragraph exclude academics for whom the ethnicity was unknown.
[165] Para. 248.
[166] Lifelong Learning UK (2005), Further education workforce data for England 2003-4, p. 46.
[167] Lifelong Learning UK (2005), Further education workforce data for England 2003-4, p. 46.
[168] DfES (2006), Raising skills, improving life chances, p. 54.
[169] National Committee of Enquiry into Higher Education (1997), para. 8.44-45.