

# **Fighting for our future – defending the birthplace of ideas**

**University and College Union**

**Submission to the Spending  
Review 2010**

**UCU, Carlow Street, London NW1 7LH**

**T: 020 7756 2500**

**[www.ucu.org.uk](http://www.ucu.org.uk)**

# Introduction

The University and College Union is the largest trade union and professional association for academics, lecturers, trainers, researchers and academic-related staff working in further, adult, prison, land-based and higher education throughout the UK.

In this submission to the Government's 2010 spending review, we call for a fundamental rethink of plans to make further radical cuts to the funding of education in the coming years. Funding cuts have already been biting into provision across the post-16 education sector. Further cuts will undermine provision, and reduce the quality of education provided, not least by increasing the ratio of students to teachers.

As the country continues to suffer from the effects of the worst economic recession since the 1930s, the case for renewed investment in our public education system is overwhelming. Our colleges and universities are key drivers of economic recovery, since they are the main sources of the skilled workers and professionals on which that recovery will depend. They also have a key part to play in environmental education, in the training and retraining of people for 'green jobs', and also of course in researching climate change and our response to it.

Continuation in education beyond compulsory schooling determines the life chances of individuals. Our society is more unequal than ever: improving access to education, and the quality of the education on offer, is the basis for the creation of a fair society and for ending the massive waste of talent that characterises our current system. We also know that lifelong participation in education improves people's health and well-being and makes them more engaged as citizens, thus strengthening our democracy.

Our colleges and universities are also the main source of critical thought, innovative ideas and both basic and applied research. They need to be protected. As one UCU member says in this submission: "The birthplace of ideas is the student's mind, the midwife is the academic (lecturer or researcher), and the incubator is the university ... Don't cut education, it's our's and our children's future." It is crucial for the UK's cultural and economic future that support for this work continues and is expanded.

We prepare this submission in a political atmosphere in which education is under serious threat. The talk is of cuts to public services, including education, of making students pay more for courses, of depriving some of our best researchers of funding

because they cannot demonstrate an immediate economic benefit from their work.

The system continues to be blighted by poor and excessive management and by funding arrangements, particularly in further education, which are constantly changing, creating instability and making sensible planning virtually impossible. Money better spent on the core functions of teaching, learning and research is being wasted on quangos, consultants and form-filling.

The current experience is of departmental closures in such vital areas as adult and continuing education, of thousands of redundancies of college and university lecturers, of discrimination against part-time students and older students eager to learn for its own sake.

Most seriously and damaging of all is the experience of huge increases in youth and graduate unemployment, large numbers of young people neither in education or employment, and the scandalous exclusion of tens of thousands of qualified applicants from entry to our universities for lack of Government-funded places.

The UK already lags behind many other western countries in educational expenditure and access, and it is interesting to note the emphasis placed on investment in education in newly dominant economies like China. We cannot afford the economic and human cost of weakening our education system at precisely the moment when we need to strengthen it to meet the demands of the future.

Now is not the time to cut back on education spending. Instead, we should take heed of economic competitors such as the United States, France, Germany, India, China, Korea and Australia and make plans for further investment in this most vital of sectors.

### **Note**

In this publication, comments from UCU members on the Treasury's criteria for the 2010 spending review, addressed to the Chief Secretary to the Treasury, Danny Alexander, are provided in text boxes.

<b>Contents</b>	page
Summary .....	4
1 Adult learning .....	12
2 Further education .....	24
3 Higher education .....	40
4 Prison education .....	64
<b>September 2010</b>	

# Summary

## Adult learning

Adult learning is essential to meeting Government priorities. In the middle of the worst economic downturn since the 1930s, it is essential that investment is maintained across education as a means to both assist recovery, and ensure that the country has the skills to be in a far stronger position to weather other future economic uncertainties.

If adult learning is to be one of the central components in meeting the challenges set by current circumstances and Government priorities, the country needs an adult population that is confident and capable, engaged and empowered, cultured and reflective and tolerant and inclusive. It can no longer be an afterthought in the education system, as it has been in the past.

It is a matter of concern to UCU that time spent by adults in non-formal education in the UK is consistently below the average for OECD countries. Investment in this sector is vital if the UK is to reduce the proportion of people who are neither in education or in the labour force.

The Government needs to fund adult learning. The UK already lags behind many other western countries in educational expenditure and access and it is interesting to note the emphasis placed on investment in education in newly dominant economies like China. We cannot afford the economic and human cost of weakening our education system at precisely the moment when we need to strengthen it to meet the demands of the future.

## UCU's key funding policies

- \* Abolish the funding distinction between formal and non-formal adult learning, recognising the equal value to individuals and society of lifelong learning whether vocational or non-vocational.
- \* Maintain UK public spending on post-secondary non-tertiary education in the short-term at 0.6% of GDP, rising to 1.0% when conditions allow.
- \* Abolish fee income targets for colleges.
- \* Include support for maintenance costs for the student and any dependents, costs of books and materials, any required equipment

and clothing, costs of caring responsibilities and any travel to study costs, in financial support for all adult students in further and higher education.

\* Review the Government's policy of charging fees for provision of programmes for English for Speakers of Other Languages (ESOL), with a staged abolition of ESOL fees starting with no ESOL fees up to level 1.

"The programme that I taught on was mainly supported by unemployed people looking to retrain, or who had brought up a family and were now trying to get back into the job market. The cost of the course was not too expensive at £200-250. Less for those in receipt of benefits, of which there were a lot. That same course has now tripled in price to nearly £600. With no reduction in fees. The loss to those people will be immense. The loss to the job markets even greater."

Michael Dursley, City of Bristol College

### **Further education**

FE colleges are essential in providing people with opportunities for education and training. It is vital that the Government funds this work, and does not cut it. Investment in FE represents good value for money: every pound of tax money invested in the colleges by the UK government returns £1.70.

A 25% cut in funding body grants for FE colleges in England would result in the loss of an estimated 21,977 full-time equivalent teaching posts, resulting in an estimated increase in the learner:teacher ratio from 19.9:1 to 27.6:1.

Colleges are particularly crucial to providing education and training opportunities to the over 40% of young people who, despite record levels of GCSE A\*-C attainment, do not gain the '5 good GCSEs' essential to both progression in general education and gaining a location in the currently highly-pressured labour market.

Colleges across the country have been involved in reducing the numbers of young people not in education, employment and training (NEETs) in their local areas by offering greater flexibility underpinned by sustained support and guidance, but such provision often requires additional funding. This area of work needs urgent, indeed immediate, expansion.

FE's work with young people is already targeted at those most in need. 16% of 16 to 18-year-olds in FE colleges and 10% in sixth form colleges are from a disadvantaged background, compared with 7% in maintained school sixth forms.

The planned reductions in public expenditure seem to be at such a level that it will be impossible to protect the poorest and most vulnerable, and regions most heavily dependent on the public sector. Given one of the Government priorities is to increase the level of participation of young people in education and training, and also to reduce the rising levels of young people who are NEETs, there will need to be funding that is directly targeted and is used to maintain initiatives and policies in pursuance of these priorities.

### **UCU's key funding policies**

- \* Return all national FE funding back to the democratic control of local authorities and regional bodies.
- \* UK public spending on post-secondary non-tertiary education should be maintained in the short-term at 0.6% of GDP, rising to 1.0% when conditions allow. <sup>1</sup>
- \* Increase like-for-like funding per FE student to match that in schools.
- \* Replace stop-start funding with clear funding commitments for a minimum of three-year periods (the normal comprehensive spending review period).
- \* Abolish the funding distinction between formal and non-formal adult learning, recognising the equal value to individuals and society of lifelong learning whether vocational or non-vocational.
- \* A staged expansion of entitlements beginning with an entitlement to a first course of study leading to a level 3 qualification for all adults up to age 30, followed by the widening of this entitlement to all adults.
- \* Sufficient learner support funds for both young people and adults, so that additional costs of learning such as materials, clothing, travel and examination fees are not a barrier to learning.
- \* The right to free education for asylum seekers.

\* There should be a review of the Government's policy of charging fees for provision of programmes for English for Speakers of Other Languages (ESOL), with a staged abolition of ESOL fees starting with no ESOL fees up to level 1.

\* Abolition of the rule that spouses of those without English as a first language have to wait a year after entry before being able to enrol on ESOL programmes; and of the rule that other family members have to wait three years before enrolling.

\* The targeting of funding on groups currently under-represented in FE.

\* A return to student fee remission at 75%, with a first step of fee-free courses up to Level 3.

"Already we rank 17th for Reading and 24th for Numeracy in the OECD and only investment in further education will prevent this statistic worsening and affecting our future economic growth and social stability. Please see this sector as vital for continued sensible investment for all our futures."

Colleen Molloy, Leicestershire Adult Learning Service

"Drastic cuts to the FE budget will only marginalise those in need of education and assimilation in society."

Shubha Kasbekar, Amersham & Wycombe College

"I ... find it staggering that cuts are being made at a time when people really need the qualifications to get jobs that pay their bills, mainly due to the fact that their partners have been long term unemployed."

Elizabeth Wordley, Joseph Priestley College

## **Higher education**

As the route to the professions and other highly skilled occupations, our universities are key determinants of people's life chances. As the main curators and transmitters of the accumulated knowledge and understanding of our society and the principal source of new insights and their practical application, our universities are our intellectual lifeblood. Both functions are under threat as never before.

It is clear from recent ministerial statements that higher education is essential to meet Government priorities. Higher education minister David Willetts said in June 2010: "There is strong evidence that graduates enjoy better health. They tend to be more active in community life. They're more likely to see their own children go on to a university career – perpetuating the social mobility we're so intent on boosting."<sup>2</sup>

UCU is concerned that funding cuts to higher education risk consigning a whole generation to the 'scrapheap of inactivity'. There is some evidence that making students pay more for higher education deters those from the poorest and most vulnerable groups in society. Reductions in public spending would almost inevitably lead to increases in the cost to students of higher education. This in turn would be likely to deter participation by disadvantaged students. UCU is therefore against reductions in spending.

There is also evidence from the Higher Education Statistics Agency performance indicators for higher education institutions in England that high levels of students from a disadvantaged socio-economic background are linked with high levels of discontinuation of studies by students from low participation neighbourhoods.

UCU has estimated that the impact of a 25% cut in public spending on higher education would result in an estimated increase in the student:staff ratio from 18.4:1 to 20.2:1; a 33% cut in public spending would increase the ratio to nearly 21:1.

UCU argues for further public investment in higher education. Society benefits from people attaining higher education. In purely economic terms investment makes sense: the £23 billion invested in higher education in 2007/08 generated over £59 billion in output.

### **UCU's key funding policies**

Serious public investment in higher education is required. In particular, we advocate:

\* Maintaining the current level of public spending on higher education in terms of GDP, and increasing the proportion of UK public expenditure on higher education to the OECD average when conditions allow (in 2007, the most recent year for which data were available at the time of writing, UK public spending on HE was 0.7% of GDP, compared with the OECD average of 1.0% — increasing public spending by 0.3% of UK GDP would add £4.6 billion a year to the sector's income at 2011-12 prices).<sup>3</sup>



- \* Maintaining the unit of funding resource per full-time equivalent student in real terms.
- \* Transforming the career structure for fixed-term staff, including the conversion of hourly-paid teaching posts to fractional contracts.
- \* An improved recognition of good teaching in the HE promotions and rewards system.

UCU is strongly opposed the introduction of tuition fees. We believe that they are a barrier to access to higher education for thousands of students, particularly those from poorer backgrounds. We recommend that:

- \* Tuition fees should be abolished, instead charging large employers, who benefit from the plentiful supply of graduates, a Business Education Tax, generated through increasing the main rate of corporation tax to the G7 average of 32.87p in the £. <sup>4</sup>
- \* 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.
- \* There is a restoration of proper maintenance grants to prevent a 'two-tier' student experience.
- \* All part-time students should be given pro-rata access to the full range of grants, loans and bursaries and the ability to defer paying fees.
- \* Properly funded initiatives should be put in place to achieve the objective of the Bologna Process of 20% of students having the opportunity to experience a significant study period in another country by 2020.

"Universities are central to driving the intellectual health of the nation, both through teaching and research."

Prof Iain Sutcliffe, University of Northumbria

"If the budget for research and learning is cut then the medium- to long-term impact for UK PLC will be drastic and demeaning."

Professor Michael Taggart, Newcastle University

"The birthplace of ideas is the student's mind, the midwife is the academic (lecturer or researcher), and the incubator is the university ... Don't cut education, it's our's and our children's future."

Ronnie MacLellan, Oxford Brookes University

"The plan to charge increasingly high fees and to limit the number of places at University is likely to lead to a diminution of the range of backgrounds from which students are able to access a University education. So talk of social mobility and widening participation becomes just empty rhetoric in the face of the reduction in access to HE."

Millie Taylor, University of Winchester

### **Prison education**

Prison education is provided by UCU members working inside prison on education programmes for the inmates. Prison education has increasingly been recognised as being a key factor in reducing reoffending, providing substantial economic value.

Prison education is essential to meet Government priorities, as expressed by Kenneth Clarke, lord chancellor and secretary of state for justice, on 30 June 2010:

" ... this Government ... has committed to a full review of sentencing policy to ensure that it is effective in what it is supposed to be doing – deterring crime, protecting the public, punishing offenders and, the part where we've been failing most, cutting reoffending....We want a far more constructive approach. This means prisons that are places of punishment, but also of education, hard work and change ..."

The prison population demonstrates higher percentages of disadvantage than does the general population, so most prison education is already targeted at those most in need.

### **UCU's key funding policies**

\* The ending of retendering of prison education contracts; prison education should be delivered by the public sector education providers in the locality of the prison.

\* The funding of prison education should be sufficient to deliver a comprehensive curriculum and all necessary support as well as properly reward prison education staff; there should also be sufficient funding to keep pace with the ever-rising numbers of prisoners.

\* If the new Government's stated aim of lowering the number of prisoners is achieved, prison education should not be subject to any reduction in overall spending. The money released from lower numbers of prisoners should be spent on improving the education and learning of those that remain in prisons.

"I am writing as a teacher within Further Education, working with Young Offenders who have significant and/or specific learning difficulties. I have great concern that the contracting organisations responsible for delivering education contracts within prisons will cut costs at the expense of these most vulnerable learners. Successful cost saving initiatives delivered by these institutions in response to your own spending review will not reveal the true impact on the poorest and most vulnerable. Depriving offenders of quality, effective learning opportunities whilst in custody will result in a much higher social and economic on-cost, as compared with the savings 'achieved' by FE institutions. The social and economic benefits of effective education interventions for offenders is very well documented, as is the effect of poor or missed education opportunities."

Catherine Martino

## Adult learning

Adult learning has had an increasingly high profile over the last thirty years. Governments of every persuasion have called for the creation of the learning society and changes to national culture so that lifelong learning is valued just as much as initial education. This high profile is also because of more fundamental trends in the UK and indeed in all countries with developed economies.

The UK is an ageing society. Its population is living longer and the number of young people is falling. 70% of the workforce of 2020 is already at work. Our ageing population and potentially declining workforce impact not just on work and employment, but also on society and the family.

Adult learning can no longer be an afterthought in the education system, as it has been in the past. Increasingly it will be seen as one of the means by which the state, employers and individuals address problems and issues raised by a changing and ageing population.

Technological change, along with globalisation, is transforming all aspects of peoples' lives - communications, work, education and learning - as well as changing personal and family communications and interaction. The pace of technological change and innovation has also speeded up. Both technological change and globalisation change adult learning: insecurity of employment for many means there is a constant pressure for re- and up-skilling throughout people's lives.

### UCU's key funding policies

\* The funding distinction between formal and non-formal adult learning should be abolished, recognising the equal value to individuals and society of lifelong learning - whether vocational or non-vocational.

\* UK public spending on post-secondary non-tertiary education should be maintained in the short-term at 0.6% of GDP, rising to 1.0% when conditions allow. <sup>5</sup>

\* Fee income targets for colleges should be abolished.

\* Financial support for all adult students in further and higher education should include support for maintenance costs for the student and any dependents, costs of books and materials, any

required equipment and clothing, costs of caring responsibilities and any travel to study costs.

- \* Learner Support Funds in further and adult education providers should be increased so that they are capable of supporting all legitimate student needs; any loans made must carry low or no interest and be repaid within reasonable and appropriate time frames.
- \* There should be generous and accessible national fee remission policies for non-formal adult learning, including for older learners.
- \* Funding across all adult learning must be sufficient to support properly all those with learning difficulties and/or disabilities.
- \* There should be a review of the Government's policy of charging fees for provision of programmes for English for Speakers of Other Languages (ESOL), with a staged abolition of ESOL fees starting with no ESOL fees up to level 1.
- \* Funding methodologies across adult learning must as far as possible be simple, clear and understandable; they should be mode and level free — that is, not favour a particular mode of delivery or level of qualification, achievement and attainment, but properly and fully fund all modes and levels.

### **Is the activity essential to meet Government priorities?**

Prime minister David Cameron has recently emphasised the importance of adult learning: "Given that my vision for this country is for all of us to get involved and play our part in national renewal, I believe adult learning and the way it inspires people is crucially important ... We know that adult learning doesn't just help people find work – it can also have benefits for people's health and even for reducing crime." <sup>6</sup>

Adult learning is essential to meeting Government priorities. In the middle of the worst economic downturn since the 1930s, it is essential that investment is maintained across education as a means to both assist recovery, and ensure that the country has the skills to be in a far stronger position to weather other future economic uncertainties.

The UK has, as do most other developed economies, an ageing population. Last year 17.7 million people were over 50 and in 20 years this will have increased to nearly 23 million. The Leitch Report in 2006 stated that over 70% of the 2020 workforce were currently

working. Our ageing population and potentially declining workforce impact not just on work and employment, but also on society and the family.

If adult learning is to be one of the central components in meeting the challenges set by current circumstances and Government priorities, the country needs an adult population that is confident and capable, engaged and empowered, cultured and reflective and tolerant and inclusive. It can no longer be an afterthought in the education system, as it has been in the past.

However, the UK still has among the lowest rates of participation beyond the age of 17 of all developed economies. Seven million adults lack functional literacy skills; 14 million lack functional numeracy skills. In 2008, 12% of the male and 13% of the female working age population in the UK had no qualifications; in addition, 17% of the male and 18% of the female working age population in the UK had qualifications below NVQ level 2.

It is a matter of concern to UCU that time spent by adults in non-formal education in the UK is consistently below the average for OECD countries. The mean average hours a year in non-formal education for those aged 25-64 in the UK whose educational attainment was below upper secondary education in 2007 was 59, compared with an OECD average of 79; for those in the UK with upper secondary educational attainment the average was 50 hours a year, compared with the OECD average of 78; and for those with tertiary educational attainment the average was 36 hours a year, compared with the OECD average of 82.<sup>7</sup>

Investment in this sector is vital if the UK is to reduce the proportion of people who are neither in education or in the labour force. The OECD has reported that the proportion of 15-19 year olds in the UK not in education or the labour force in 2008 (4.5%) was above the OECD average, as was the proportion of those aged 20-24 (10.5%) and those aged 25-29 (12.1%).<sup>8</sup>

The current position and future projections of the UK's position on skills development has recently been highlighted by the UK Commission for Employment and Skills in their report *Ambition 2020: World Class Skills and Jobs for the UK: Key Findings and Implications for Action: The 2010 Report*. Building on the previous year's report, the 2010 report found that the UK is unlikely to improve its relative international position between now and 2020.

The Commission estimate that the UK will not reach its world class skills ambition in respect of low and intermediate level skills, but will remain in the bottom half of OECD countries at these levels. For high

level skills, the UK is expected to almost achieve its world class skills ambition, and can expect to be ranked 11th by 2020-2021. It also goes on to state that there will be significant under-achievement in the Level 3 ambition, with 19% qualified at this level compared with the aspiration of 28%; and that there will be slight under-attainment in the Level 2 ambition, at 20% compared to the desired 22%; and there will be insufficient improvement in the lower levels of qualifications, with a forecast of 19% still with no or low levels of qualifications, compared to the 10% aimed for.

“If we are to achieve the 2020 World Class Skills ambition then we cannot afford to make any further cuts in public funding for post 19 education. I have worked in this sector for 26 years and know the huge benefits of adult learning on individuals, families, workplaces, communities and society in general.”

Colleen Molloy, Leicestershire Adult Learning Service

### **Does the Government need to fund this activity?**

The Government needs to fund adult learning, and not cut the sector’s income. The UK already lags behind many other western countries in educational expenditure and access, and it is interesting to note the emphasis placed on investment in education in newly dominant economies like China. We cannot afford the economic and human cost of weakening our education system at precisely the moment when we need to strengthen it to meet the demands of the future.

The pace of technological change and innovation has also speeded up. Both technological change and globalisation change adult learning: insecurity of employment for many means there is a constant pressure for re- and up-skilling throughout people’s lives.

Government funding is essential for adult learning because for far too long the UK has relied on the voluntary efforts of employers in skills generation. The Government now argues that adult learning across all education sectors can only be supported with public funds if it impacts on both the stock of skills and raises the levels of those skills.

The effect has been to reduce adult learning to what it is perceived that employers want from it. The numbers of adults learning in the Learning and Skills Sector has recently fallen by over 1.5 million. These losses have not just been in programmes that do not lead to

qualifications, but also in programmes in areas such as IT and health and social care that can lead to employment.

The need for Government funding for adult learning and skills development is highlighted in recently published figures from the UK Commission for Employment and Skills report *Ambition 2020: World Class Skills and Jobs for the UK: Key Findings and Implications for Action*. The Commission found that just over two-thirds of employers (68%) in 2009 had provided training or development in the previous 12 months. However, total employer expenditure on training in England declined by about 5% in real terms between 2007 and 2009.

Fees for certain provision such as ESOL have been imposed, and Government support for the cost of many FE programmes has been cut to the point that by next year, students face paying 50% of the costs of their learning. In higher education the Government withdrew completely the funding for graduates taking equivalent or lower qualifications (ELQs) than they already possessed. This has led to many universities cutting their offer to adults, and even the closure of whole departments. We have also seen the widespread withdrawal of concessionary fees for learners over 65 years of age, which has had a major impact on the quality of life and social contribution of many older people in our community. These policies have continued through the recession, when cutting back on adult learning seems especially perverse. Unemployed adults, whose numbers are rising at an alarming rate, need programmes through which they can re- and up-skill themselves. There is also an urgent need for other kinds of learning courses which can help the unemployed to remain engaged in learning and can help sustain their self-confidence.

The current economic climate makes Government funding for adult learning essential. However much we believe that employers should be paying for training for their workforces, and for activities that they will wholly benefit from, it is clear that employer funding cannot be relied onto to generate the level of training that is needed for the recovery. Other developed countries have statutory measures to ensure that employers do make significant contributions to workforce and workplace training. Given the refusal of the UK Government over the last half century to give serious consideration to similar measures, then Government funding becomes imperative. This is reinforced by the fact that training budgets are always cut in a recession. Although we note that many employers have not been as swift to reduce training budgets as in previous economic downturns, the likely impact of the recession means that Government funding is paramount, especially in the development of new jobs in high skill, sustainable development and low carbon industries.



Similar arguments also apply to the expectation that individuals can and will fund their own training and development. With the prospect of massive reductions of public expenditure, steeply rising unemployment and great fear and uncertainty for those in employment, many individuals will be reluctant to spend their hard pressed resources on activities that they may not see as having immediate benefits.

The unemployment figures released in August 2010 showed the unemployment rate to be 7.8%, with an increase in those unemployed for more than 12 months of 33,000 to 796,000, the highest quarterly numbers since 1997. Unemployment for 18 to 24 year olds stood at 724,000. Government will have to fund programmes for the unemployed if these people are to have any hope of returning to employment. It is particularly important for Government to fund educational and training programmes for the young unemployed, if we are not to see another wasted generation.

"... many adult education courses do much to enhance the overall quality of people's lives whilst having little to do with promoting economic activity let alone independence. Back in 2002 I was privileged to be involved in a joint programme with Kent Adult Education and the former Invicta Healthcare to provide adult education taster sessions to older people recovering from mental health problems, to help wean them off more expensive health care into gaining support from mainstream community activities. It was a huge success, but the programme, even back then, was not repeated as the umbrella Learning for ALL programme came to an end."

Helen Weber

"Part-time and adult education courses should have ring-fenced funding, with protected FTEs [full-time equivalent student numbers]. If fees are needed they should be fully recoverable to part-time students as tax expenses. The Government could offer to pay both fees and grants to able students prepared to study various subjects needed by the state."

David Rudling, Sussex University

### **Does the activity provide substantial economic value?**

The responses provided above demonstrate that activity around adult learning does provide substantial economic value. The benefits of sustained activity around skills development and regeneration are well known. Without such investment the UK will continue to lag

behind its main international competitors. If the UK is to move away from the current recession, it must rebuild its industries and invest in high skill, high value production, especially in new industries based on low carbon technology and sustainability.

While the benefits of education are far wider than the simply financial, the data on the private and public rate of return for individuals who have obtained upper secondary and post-secondary non-tertiary education clearly indicate the benefits of investing in learning. People who have education to this level will have considerably higher lifetime earnings than those who do not; they will make greater contributions to the state through higher tax and national insurance payments, and require less in the way of transfer of funding through social security benefits. The OECD has estimated that the public net value including income tax and social security payments for males in the UK who have obtained upper secondary and post-secondary non-tertiary education over their lifetime is \$73,267, and \$109,394 for females. This compares very favourably with the direct cost to the state for their education of \$15,838.<sup>9</sup> While only 66% of those adults in the UK whose education level is below secondary report good health, that proportion rises to 76% for those who have an upper secondary level of education and to 86% for those who have had tertiary education. Similar benefits rising with the level of education received can be observed regarding the proportion of adults expressing an interest in politics, and in the proportion of adults expressing interpersonal trust.<sup>10</sup>

John Hayes, the minister of state for FE, skills and lifelong learning in his foreword to the most recent Government consultation on the future direction of skills policy, 'Skills for Sustainable Growth', July 2010, states at the outset that "skills are vital to the economy", and the summary of the consultation document says "our priorities are to build an internationally competitive skills base and ensure we have a skills system that prepares people for work and then to progress".

Adult learning also has additional economic value in terms of benefits in other areas of public spending such as health, benefits, criminal justice and social cohesion. John Hayes warns that "we emphasise the economic and overlook the social and cultural benefits of learning at our peril". The summary of the consultation document states that "further learning throughout our working lives helps us to progress and reach our potential, and helps to build a society founded on social mobility and social justice".

"This college is axing much of its adult provision in line with cuts made by the previous Government. With substantial unemployment,

the pickup rate on training will be slower because of these short-term economies.”

Paul Hamel, Wiltshire College

### **Can the activity be targeted to those most in need?**

Activities around adult learning have been targeted for some time at those most in need. This has been achieved by the policies around remitting fees in adult learning to those on unemployment and other forms of benefit. These policies have also been supplemented by entitlement policies, that is, not charging fees for adult learning programmes for those adults without a first full level 2 qualification, for those adults up to the age of 26 without a first level 3 qualification, and not charging fees to adults on literacy and numeracy programmes.

UCU would wish to see the broad direction of these policies retained as they are directed at those most in need. Indeed we would wish to see some aspects of these policies revised to make them more effective, for example, the entitlements at level 2 and 3 for first full qualifications at these levels. Many adults, and indeed many employers, do not want, or cannot undertake, full programmes of learning. Adults and especially those in greatest need often have complicated and pressured lives with competing demands from work and family. Employers often want those parts of learning programmes that meet an urgent and immediate need in the specific workplace. Both individuals and employers often need and want to take parts of learning programmes and build these into full qualifications over time. This has been one of the main arguments around the creation of a modularised and unitised adult learning curriculum, the Qualifications and Credit Framework. Similarly the restriction to a first qualification at level 2 may disadvantage some adults whose first level 2 may have been achieved many years previously and now have little value in the labour market. Numbers of such adults may be in low paying employment and find difficulty in finding the money to afford more relevant qualifications now.

There is one area that we would urge the Government to review. This is the area of programmes for English for Speakers of Other Languages (ESOL). In 2006 the then Government proposed and then instituted a policy of charging fees for ESOL provision. It was argued that this was to cope with a surge in enrolments in ESOL, especially from migrant workers from the Eastern and Central European states that had recently joined the EU. The policy of charging fees for ESOL programmes was duly instituted in the following year. The charging

of fees hit especially hard those from settled communities whose family members were employed, were often in low pay work, and could not afford the new fees. The then Government hoped that employers using migrant workers and others in need of ESOL provision would invest in the learning of their workers. This has proved to be unfounded, and there has been little take-up of ESOL qualifications specifically designed to be used in the workplace. The last Government also made proposals that local authorities should prioritise spending on ESOL provision in line with local circumstances. This policy now seems to have been abandoned as the Skills Funding Agency has stated that it will neither monitor local authority plans and priorities nor fund them. Consequently there is a serious policy gap with provision that is essential for integration, citizenship and social cohesion no longer being targeted at those in greatest need.

### **How can the activity be provided at lower cost?**

At least 60-70% of the costs of adult learning are taken up by staff costs: staff to deliver and assess learning, and staff to manage, administer and support learning and learners. It is therefore difficult to envisage realistically how adult learning activity could be provided at lower cost, without seriously damaging the quality of learning and teaching. There have been suggestions that some costs could be lowered by having more procurement undertaken centrally or by numbers of providers joining together. Similarly there may be some 'back-office' functions such as marketing, enrolment of learners, and human resources, that could be shared by neighbouring providers. UCU would be willing to consider these and other suggestions for lowering the costs of providing essential adult learning that did not harm or damage the quality of front line teaching and learning.

### **How can the activity be provided more effectively?**

UCU believes that adult learning activity is being delivered effectively and efficiently. Achievement in adult learning is high, as are student/learner satisfaction rates. FE colleges have increased their share of training to employers by 2% from 2007. Employer satisfaction rates with college training have now reached 85%. As with the response provided above, UCU has no immediate suggestions of how adult learning can be provided more effectively.

### **Can the activity be provided by a non-state provider or by citizens, wholly, or in partnership?**

Some adult learning is and could be continued to be provided by non-state providers. We acknowledge that the voluntary sector is able to reach some hard-to-reach groups of adult very effectively. We

consider that this is best done in partnership with public sector providers - as it mostly the case, currently. This ensures that the quality of such provision is high and that public funds are used effectively and well. We do not consider that adult learning activities around skills can be properly and effectively provided by 'citizens'. The costs of providing quality provision and the essential infrastructure would be too high for such provision to be created and quality maintained.

"... the Government may wish to consider setting up an organisation such as the Manpower Services Commission, which offered some excellent intensive courses to reskill adults. Staffing for these courses might be a mixture of full-time college staff and part-time staff with some volunteers recruited from retired craftspeople and technicians who wish to give expert help as part of the 'Big Society' initiative."

Paul Hamel, Wiltshire College

### **Can non-state providers be paid to carry out the activity according to the results they achieve?**

The whole issue of paying providers, be they state or non-state, is very difficult and beset with problems. Outcome-based payments were introduced into adult learning and skills provision in the early 1990s and have been used continuously in a number of forms. They present a number of problems, such as the measurement of and criteria for outcomes to be used in funding. There have been a number of unintended consequences as a result, depending on the policy drivers used. When they were used with the Further Education Funding Council funding methodology in the 1990s, research undertaken by NATFHE (one of UCU's predecessor unions) found they led to a number of abuses when providers fulfilled some of the outcomes sought by Government - such as increased learner participation - but sometimes at the expense of achievement and quality learning and teaching. It was also found that innovation was often lost as providers became risk averse and were unwilling to try to attract new and more difficult learners into provision, or try new teaching and learning methods.

The UK Commission for Employment and Skills called last year for greater use of outcome-based funding. This was taken up in the Skills Strategy White Paper published by the last Government at the end of 2009. However, some of the outcomes described were not in the remit of providers to deliver - and certainly not without considerable

expense. These included outcomes in terms of wage gain and employment in areas where jobs were at a premium. If outcomes-based funding is used, it will be essential to use measures that actually are a result of training and can be collected in an efficient and timely manner.

**Can local bodies, as opposed to central Government, provide the activity?**

Local bodies as opposed to central Government do provide the great majority of adult learning activity. There is some that is supplied by national organisations, often to national organisations such as national employers. We consider that adult learning is in most part a local and regional activity and as such is best delivered by local and regional providers.

Experience over the last decade would suggest that the question is rephrased so as to raise the question of central Government direction of adult learning activity. In answering this question, UCU would argue that central Government priorities and targets have often been seen to override local activities, needs and wishes. There has been a great tendency for policy to be defined in terms of national objectives and priorities and these have been imposed, even where they do not meet more local and regional circumstances. It is right for central Government to spell out its objectives and the direction of travel for policies and their implementation; however, a balance between local/regional and national priorities needs to be created. This should give providers the flexibility to be able to use public funding to meet the needs of their local populations and employment interests. There should also be flexibility to use funds across budget headings, again to best meet local/regional needs and demands.

**Limit, as far as possible, the impact of reductions in spending on the poorest and most vulnerable in society, and on those regions heavily dependent on the public sector?**

It seems that the level of reductions in public expenditure will be at such a level that it will be impossible to limit cuts in spending on the poorest and most vulnerable, and on regions most heavily dependent on the public sector. In terms of the poorest and most vulnerable, we have indicated above how adult learning is and can continue to be targeted at those most in need. However some public expenditure in adult learning goes to maintain the necessary infrastructure of adult learning and training. It is difficult to envisage how this can be redirected in such a way so that it only supports the poorest and most vulnerable, without undermining much of its viability.

It is clear that there are some regions that are more dependent on the public sector than others. However we would argue that even in those regions which would appear to be less dependent on the public sector, there will be localities and areas that are as dependent on the public sector as some regions. A more productive approach may be to fund all adult provision to a certain level in terms of anticipated audiences and geography, and then to have a series of funding supplements directed at particular needs in terms of learners and areas.

"The programme that I taught on was mainly supported by unemployed people looking to retrain, or who had brought up a family and were now trying to get back into the job market. The cost of the course was not too expensive at £200-250. Less for those in receipt of benefits, of which there were a lot. That same course has now tripled in price to nearly £600. With no reduction in fees ... the loss to those people will be immense. The loss to the job markets even greater."

Michael Dursley, City of Bristol College

### **Protect, as far as possible, the spending that generates high economic returns?**

With spending reductions at the level that seems to be envisaged, it will be difficult to protect spending that generates high economic returns. Adult learning activity has to be judged not just by its economic returns, but also by its contribution to the nation's health, social mobility and cohesion. We would also argue that Government spending on adult learning may well be directed to activities which would not otherwise take place because there is market failure; that is, that they do not yield immediate or high economic returns because there is no prospect of them being profitable. Such activities may be necessary and should be funded by Government or they will not take place.

"I work in Basic Adult Ed, delivering Skills for Life courses in the work place. Britain can no longer compete with the cheap labour economies of China, India etc. That is why I believe we must up-skill our work force so that we can offer quality as the alternative."

Peter Robertson

## Further education

Nearly 3.5 million people attended further education colleges in the UK in 2007-8. FE colleges teach more 16-19 year olds than any other sector; 44% of university entrants come from the sector and the percentage of examinations passed has risen from 52% to 70% over the last five years. The range and level of courses taught are necessarily very wide, from vocational to humanities courses, from basic literacy and numeracy to degree level, matching the needs of the most socially and culturally diverse body of students in the education system. In the past decade the number of vocational qualifications awarded in the UK has increased by more than 100%. In 1995-6, 354,000 NVQs and SVQs were awarded at levels 1-5. By 2007-8, that figure had risen to 773,000. In addition, in 2007-8 1.7 million vocationally related qualifications were awarded at levels 1-3.<sup>11</sup>

### UCU's key funding policies

- \* Return all national FE funding back to the democratic control of local authorities and regional bodies.
- \* UK public spending on post-secondary non-tertiary education should be maintained in the short-term at 0.6% of GDP, rising to 1.0% when conditions allow.<sup>12</sup>
- \* Increase like-for-like funding per FE student to match that in schools.
- \* Replace stop-start funding with clear funding commitments for a minimum of three-year periods (the normal comprehensive spending review period).
- \* Abolish the funding distinction between formal and non-formal adult learning, recognising the equal value to individuals and society of lifelong learning whether vocational or non-vocational.
- \* A staged expansion of entitlements beginning with an entitlement to a first course of study leading to a level 3 qualification for all adults up to age 30, followed by the widening of this entitlement to all adults.
- \* Sufficient learner support funds for both young people and adults, so that additional costs of learning such as materials, clothing, travel and examination fees are not a barrier to learning.



- \* The right to free education for asylum seekers.
- \* There should be a review of the Government's policy of charging fees for provision of programmes for English for Speakers of Other Languages (ESOL), with a staged abolition of ESOL fees starting with no ESOL fees up to level 1.
- \* Abolition of the rule that spouses of those without English as a first language have to wait a year after entry before being able to enrol on ESOL programmes; and of the rule that other family members have to wait three years before enrolling.
- \* The targeting of funding on groups currently under-represented in FE.
- \* A return to student fee remission at 75%, with a first step of fee-free courses up to Level 3.

### **UK public spending**

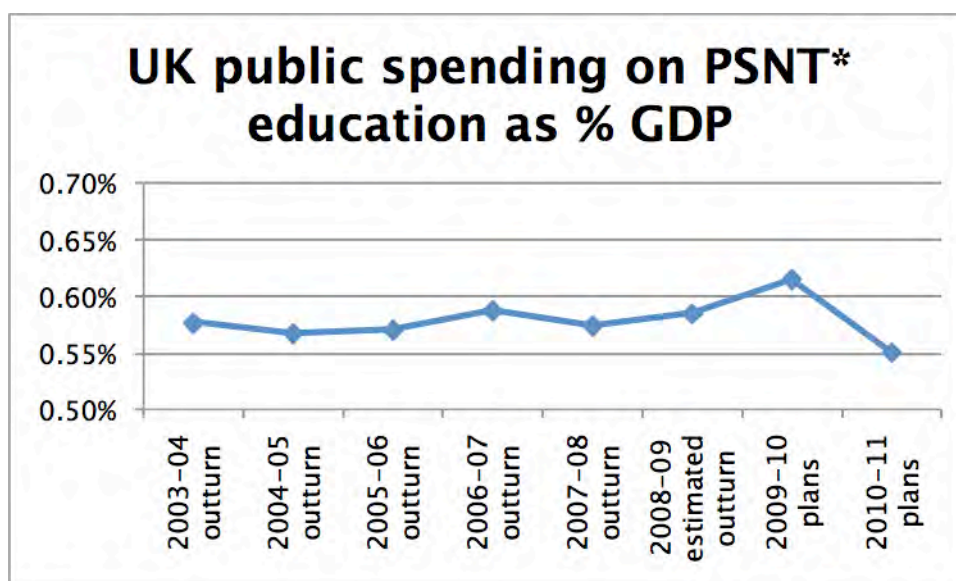
The period covered by the 2007 Comprehensive Spending Review – 2008-9, 2009-10 and 2010-11 – showed increasing central Government spending on post-secondary non-tertiary education (which includes further education) for the first two years, then a 5.9% drop in the final year. Spending as a proportion of GDP was 0.58% in 2008-9, then rose to 0.61% in 2009-10, before falling to 0.55% in 2010-11. It should be noted that the cash GDP actually fell in 2009-10 as a result of the recession, before picking up in the following year; the effect of this fall in GDP will be to make the public spending proportion in 2009-10 look higher than usual.

### **UK public spending on post-secondary non-tertiary education**

Financial year	Post-secondary non-tertiary education spending * £ million	FE as % GDP
2003-04 outturn	6,672	0.58%
2004-05 outturn	6,891	0.57%
2005-06 outturn	7,266	0.57%
2006-07 outturn	7,922	0.59%
2007-08 outturn	8,174	0.57%
2008-09 estimated outturn	8,386	0.58%
2009-10 plans	8,619	0.61%
2010-11 plans	8,114	0.55%

\* Central Government own expenditure on services, including capital – excludes local authority expenditure.  
Money GDP cash data at [http://www.hm-treasury.gov.uk/data\\_gdp\\_fig.htm](http://www.hm-treasury.gov.uk/data_gdp_fig.htm) Last updated 12 July 2010 (accessed 25.8.10).

Education spending data: HM Treasury, Public Expenditure Statistical Analyses 2009, table 6.4. % calculations: UCU.



\* Post-secondary non-tertiary

### **Is the activity essential to meet Government priorities?**

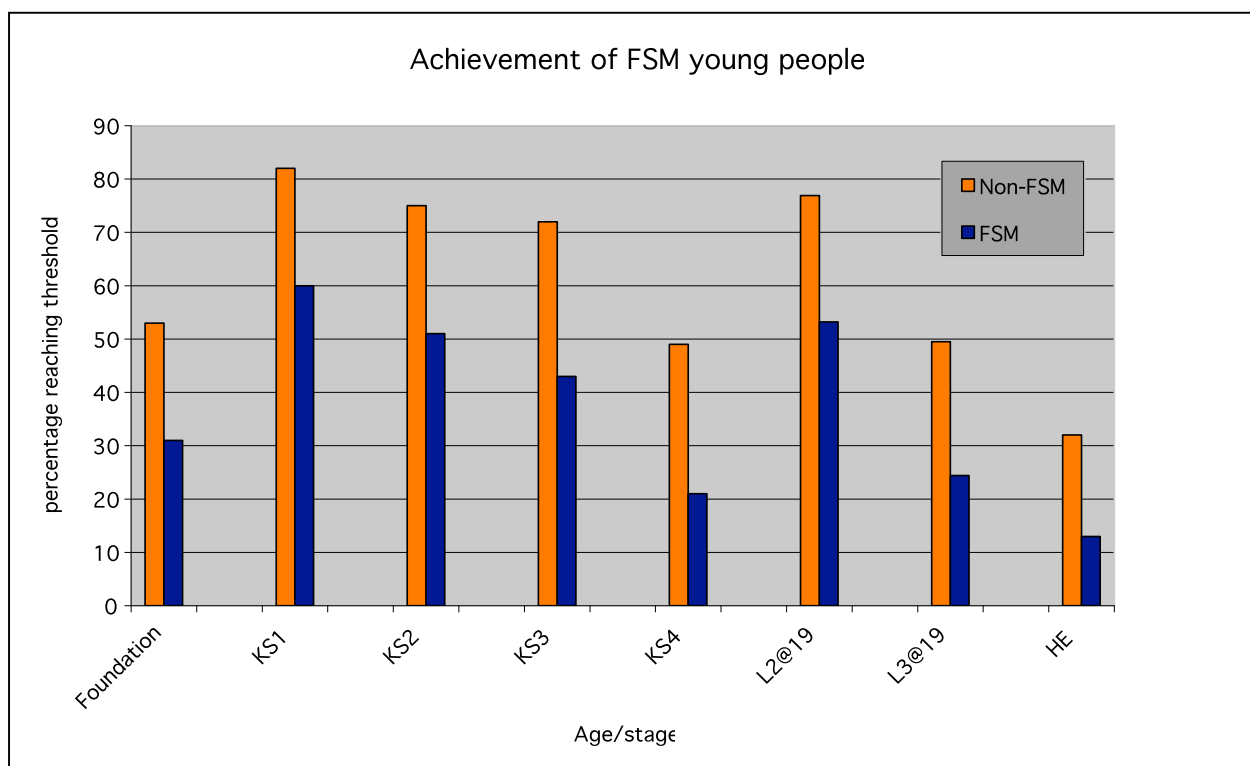
John Hayes, minister for further education, recently said: "I know that my belief in the importance of skills is shared by the Government. We recognise that education and skills are not only vital for our economy because they make us more competitive, but we know, too, that they change lives by improving life chances and build stronger communities in which all are proud."<sup>13</sup> FE colleges are essential in education and training, particularly for young people.

According to the Association of Colleges *College Key Facts Summer 2010*, 831,000 16 to 18-year-olds are studying in FE colleges, compared to around half that number studying in maintained schools, academies and city technology colleges. One-third of A-level students aged 16 to 18 study at a college, and 53,000 16 to 18-year-olds study an apprenticeship through their local college. In addition, colleges teach some 74,000 14 to 15-year-olds, and 38% (168,000) of entrants to higher education. Half of all Foundation Degree students are taught in colleges. Colleges provide a key component of policies designed to widen participation, and thus are essential to equality issues in HE.

Colleges are particularly crucial to providing education and training opportunities to the over 40% of young people who, despite record levels of GCSE A\*-C attainment, do not gain the '5 good GCSEs' essential to both progression in general education and gaining a location in the currently highly-pressured labour market. It is this historic 'long tail of under-achievement' that keeps England near the

bottom of OECD qualification and staying on rates for 16 year-olds. The only efficient and effective current remedy is provision made by colleges for these young people. The chart below indicates the differing achievement of young people according to whether they are in receipt of free school meals (FSM) or not. <sup>14</sup>

### Achievement of young people in receipt of free school meals (FSM)



Source: Paper presented at the 17 June 2010 14-19 Teacher Associations meeting by the DfE 'Narrowing the Gaps Team: Young People's Targets and Infrastructure'

College provision of education and skills training for 14-16 year-olds is either in subjects not available in local schools or to pupils in some degree disaffected with school, according to the National Foundation for Educational Research, raising their GCSE or equivalent point scores above their individual projected outcomes.

The very fact that the curriculum offer in colleges is both broad and diverse acts as a 'pull through' factor for many initially underachieving young people, as does the more 'adult' atmosphere and ethos of FE colleges.

FE colleges' work is equally essential in meeting a number of Government priorities that cluster around raising post-16 participation in learning to levels comparable with the UK's competitors. Colleges are central to the priority to increase numbers taking Science, Technology, Engineering and Maths (STEM)

programmes that are at the core of the Government's efforts to rebuild UK industry and economic activity after the recession. Three-quarters of a million courses in STEM subjects are undertaken by students at colleges, and 44% of those achieving a Level 3 qualification by the age of 19 do so at a FE college.

In addition, colleges across the country have been involved in reducing the numbers of young people not in education, employment and training (NEETs) in their local areas by offering greater flexibility, underpinned by sustained support and guidance, but such provision often requires additional funding. This area of work needs urgent, indeed immediate, expansion. The number of under qualified NEETs remains high, but is now growing due to the addition of young people with A-levels and degrees being far more likely to be NEET than two years ago. The latest research by IPPR and the Private Equity Foundation shows that during the first quarter of this year 9% of young people with a Level 3 qualification, including A Levels, were NEET. This is up 40% on the 6.4% recorded in this category in the first quarter of 2008.

The research also found that in the first quarter of the year 11.4% of graduates were NEET, a 50% increase since 2008. Simultaneously, at the start of 2010, 36% of young people who left school with no qualifications were NEET, a figure that has barely changed over the past two years.

The rising number of NEETs, coupled with the fact that those with Level 3 and degree qualifications are now the fastest rising subset within the NEET category, demands urgent Government action. UCU would also suggest that some Coalition policy proposals be strenuously examined for both their value for money and whether they will make a significant impact on these complex, immediate and alarming conditions.

Investment in this sector is vital if the UK is to reduce the proportion of young people who are neither in education or in the labour force. The OECD has reported that the proportion of 15-19 year olds in the UK not in education or the labour force in 2008 (4.5%) was above the OECD average, as was the proportion of those aged 20-24 (10.5%) and those aged 25-29 (12.1%).<sup>15</sup>

UCU would suggest that the Coalition Government abandons their support of Lord Baker's proposal to set up 20 'University Technical Colleges' for 14 to 19 year olds because it is very expensive (Lord Baker admits that this is the case, as the proposed subject areas, e.g. aeronautical engineering, all have high set-up, capital and recurrent costs); is superfluous to requirements given that FE

colleges already excel at providing vocational education for 14-19 year-olds; does not have the cultural and motivational 'adult' ethos that 14-19 year-olds shifting towards vocational learning find supportive, according to NFER and Oxford Brookes University research on the 14-16 'Increased Flexibility Programme'; and is far too loosely based on an out of date understanding of the reach and effectiveness of German vocational secondary education.

"The further education sector provides support and training to those who are jobless. As the number of jobless is likely to increase, it is now even more important that FE institutes are there to provide training or re-training to these young, and older, adults."

Larry Gumbley

"Already we rank 17th for Reading and 24th for Numeracy in the OECD and only investment in further education will prevent this statistic worsening and affecting our future economic growth and social stability. Please see this sector as vital for continued sensible investment for all our futures."

Colleen Molloy, Leicestershire Adult Learning Service

"Drastic cuts to FE budget will only marginalise those in need of education and assimilation in society."

Shubha Kasbekar, Amersham & Wycombe College

### **Does the Government need to fund this activity?**

It is essential that the Government funds FE colleges' work, and does not cut it. A 25% cut in funding body grants for FE colleges in England would result in the loss of an estimated 21,977 full-time equivalent teaching posts, resulting in an estimated increase in the learner:teacher ratio from 19.9:1 to 27.6:1. This is likely to be a conservative estimate, because it assumes that colleges will cut funding in line with current expenditure patterns. But it is likely that staff costs would be hit harder, since non-pay costs, such as heating and electricity, are less flexible.

As demonstrated by the figures above, it is a major and significant component of the education training offer to young people. Currently all education and training for 16 to 18 year olds is free. This

entitlement, as well as access to the widest and most comprehensive curriculum, must be maintained and resourced adequately.

Although colleges are educating the majority of young people, many schools and 6<sup>th</sup> form colleges operate quite strict selection processes for those young people leaving compulsory education. FE provides education and training for the vast majority of those young people who are not able to secure a place in other educational institutions, as well as for those young people who wish to continue their education and training away from a school setting. It is vital to the Government's priorities around providing equality of opportunity for young people to develop their knowledge, skills, talents and aptitudes that will prepare them further study and/or employment, and prepares them to be active members of society and the multiple roles that they will occupy as adults.

It is also vital that the Government funds FE's work with young people at the same rate as it funds identical activities in schools. There has been a historic gap in funding levels for 16–18 year olds in schools and colleges. Despite previous Government promises to reduce the gap, the AoC still calculate the gap is around 13%. The Government has announced that it will maintain spending on education frontline services, and that there will be no cut for 16 to 18 education and training in this financial year. This level of spending on 16 to 18 must be maintained in future years. Without it there will be irreparable damage to the education and training of young people, which will do incalculable damage to the life chances of young people.

Government funding must not be restricted to the provision and delivery of education and training opportunities. There are both direct costs associated with learning as well indirect opportunity costs. Over recent years Government has recognised these costs associated with continued participation in learning, especially for young people. Educational Maintenance Allowances (EMAs) have proved to be a powerful incentive for young people, especially those most at risk of dropping out, to continue to participate in education and training.

Prior to the 2010 general election, the EMA was the subject of some considerable political debate, unhelpfully led by the under-evidenced opinions of right of centre think tanks. In a response in October 2009 to whether he would remove the EMA if in Government, Michael Gove, then shadow education secretary, said: "We're committed to doing everything we can to close the gap in achievement between the poorest and the wealthiest at school."<sup>16</sup> In an interview with *The Guardian* in March 2010, Gove said, "Ed Balls keeps saying we are committed to scrapping the EMA. I have never said this. We won't."<sup>17</sup>

UCU believes that there is undoubted political pressure on the EMA but would fully support the recent robust, comprehensive evidence and analysis provided by education economist Mick Fletcher for the CfBT Education Trust. He has argued that EMAs have been a successful policy instrument and should be retained, despite the current crisis in public finances; that the EMA allowances should be increased for 17 year-olds and extended to all learners; and that EMAs should be the basis for an integrated system of support for 14-19 year-olds. <sup>18</sup>

"Dear Mr Alexander ... How did you become an MP, was it through having a decent education? If the Government is not careful it will lose the very people that try to make a difference and the goodwill that they infuse into the sector."

Deborah Hibbard

"... the so-called 'market' in education has led to an extraordinary waste of our human resource as FE colleges 'restructure' every 18 months and make redundant experienced and well qualified staff."

Dr Robert Smith, University of Wolverhampton

"Dear Danny Alexander ... East Lancashire has already been savagely hit and the forthcoming Spending Review will no doubt make this situation even more dire. As a Liberal Democrat you will I'm sure understand the value that your early Liberal forefathers placed on education for its own sake and I wonder why you would want to betray this heritage."

Ashley R Whalley, Blackburn College

"We need to fund courses which enable both young and old to acquire the skills needed in the workplace. I see pressing need for expansion in education and training. I trust you will find the money to fund the skills for employment and enterprise."

Paul Matthews, City College Plymouth

### **Does the activity provide substantial economic value?**

FE colleges' activities in education and training provide both direct and indirect economic value. They make a significant and essential

contribution to providing young people with the knowledge, skills and qualifications they need for adult life. They prepare young people for further, deeper and lifelong learning as well as for employment and a fuller and more productive adult and family life. They prepare the country's future workforce, as well as an adult population which will need to be confident and capable, engaged and empowered as well as flexible and tolerant, to meet the challenges of the future. FE activities for and with young people will also have impacts on other aspects of public expenditure and can reduce possible spending on health, welfare benefits, criminal justice and social cohesion.

In financial terms, learners who have studied at England's FE colleges over the past 15 years contribute a total of £28 billion to the current national economy. This amounted to 2% of the 2007 national GDP, and represented a benefit/cost ratio of 1.7 (every pound of tax money invested in the colleges by the UK government returns £1.70).<sup>19</sup>

While the benefits of education are far wider than the simply financial, the data on the private and public rate of return for individuals who have obtained upper secondary and post-secondary non-tertiary education clearly indicated the benefits of investing in learning. People who have education to this level will have considerably higher lifetime earnings than those who do not; they will make greater contributions to the state through higher tax and national insurance payments, and require less in the way of transfer of funding through social security benefits. The OECD has estimated that the public net value including income tax and social security payments for males in the UK who have obtained upper secondary and post-secondary non-tertiary education over their lifetime is \$73,267, and \$109,394 for females. This compares very favourably with the direct cost to the state for their education of \$15,838.<sup>20</sup> While only 66% of those adults in the UK whose education level is below secondary report good health, that proportion rises to 76% for those who have an upper secondary level of education and to 86% for those who have had tertiary education. Similar benefits rising with the level of education received can be observed regarding the proportion of adults expressing an interest in politics, and in the proportion of adults expressing interpersonal trust.<sup>21</sup>

"I ... find it staggering that cuts are being made at a time when people really need the qualifications to get jobs that pay their bills, mainly due to the fact that their partners have been long term unemployed."

Elizabeth Wordley, Joseph Priestley College



"In times of economic difficulties it is false economy to economise on further education. With the expected increase in unemployment from existing cuts to the public sector added to the present long term unemployed it is imperative that we invest in employability skills courses similar to the one I'm running here in Cumbria. Without this commitment to education we are destined to fall further behind many emerging powers such as China and India."

Tony Myler, University of Cumbria

"... for many individuals retraining is required to get them back into the work force and so has definite economic value."

Ian Painting, Canterbury College

### **Can the activity be targeted to those most in need?**

FE's work with young people is already targeted at those most in need. 16% of 16 to 18-year-olds in FE colleges and 10% in sixth form colleges are from a disadvantaged background, compared with 7% in maintained school sixth forms. Reference has already been to colleges' work with the NEETs groups, which is targeted at the most vulnerable groups of young people.

FE colleges have a proud record of working with young people with learning difficulties and/or disabilities. The proposals to draw all work with 16 to 18 year olds together under the strategic leadership of local authorities had important implications for work with young people with learning difficulties and/or disabilities. The different schools and FE systems for assessing young people with learning difficulties/disabilities would have been brought together into one unified system and the local authorities responsibilities extended to young people with learning difficulties/disabilities to the age of 25.

Now the National Commissioning Framework programme for 16 to 18-year-olds - including those parts which would have implemented the new arrangements for learning difficulties/disabilities - is being discontinued and FE colleges will be funded directly by the new Young People's Funding Agency. It is currently unclear what will happen to this area of work and the proposed new arrangements. It will be vital that funding for both the proper assessment and the provision of this work are maintained. This will be important in targeting activities for these young people who potentially suffer significant disadvantages in terms not only of education and training but also future employment prospects.

Another important aspect of effective targeting of FE work for those young people in most need will be maintaining, improving and expanding local systems of education and career information, advice and guidance. Such services have been identified as being of crucial importance in assisting young people to make the right choices and decisions about their careers and the education and training programmes that they need to implement their choices and decisions. These services have been through repeated reorganisations and restructuring. The quality of them has been identified by the UK Commission for Employment and Skills as being of crucial importance in implementing the Leitch Report on the UK's future skills needs and meeting the Government's priorities in terms of skills developments. These services have been returned to the direction and strategic leadership of local authorities.

However, there have been disturbing reports that the in-year budget reductions introduced by the new Government on local authorities are already impacting in a negative way on these vital services. There are reports of some local authorities already instituting cuts of up to 50% on IAG and Connexions services. At a time of record levels of youth unemployment, this will hit hardest those young people in most need.

"The FE sector has for many years provided a valuable service in the education and training of adults and young people often in the poorest areas of our cities, but this has recently suffered draconian cuts and you only propose to make even further cuts on top of this. Please reconsider what you are doing before you reach the place of no return."

Richard Bailey

### **How can the activity be provided at lower cost?**

Approximately two-thirds of the costs of the FE sector's work is taken up by staff costs: staff to deliver and assess learning, and staff to manage, administer and support learning and learners. So it is difficult to envisage how this essential work could be provided at lower cost without seriously damaging the quality of teaching and learning.

There have been suggestions that increasing the use of Information and Communication Technology and e-learning could assist in providing learning at lower cost. It is equally undeniable that ICT, e-

learning, the internet and Web 2.0 applications have had a profound impact on teaching and learning at all levels for all learners.

However, the recent announcement from the secretary of state for education that BECTA - the non-departmental body that had responsibility for co-ordinating, improving and disseminating information and materials to support the use of ICT in education - will be abolished means that useful information, products and advice on procurement of ICT and programmes will be lost to education.

The inevitable devolution of decision-making down to individual and institutional levels must not mean the loss of collective knowledge and understanding of what works in ICT for FE and skills. The removal of BECTA changes how technology in learning in English state schools and FE colleges is researched, mediated, led, promoted and supported, leaving open the question of who should carry forward the successful pioneering work of BECTA.

Without help, individual schools and colleges will not be well informed on things such as value for money when buying IT systems and services. How will they be supported if sound approaches for procurement systems are swept away with BECTA? For services such as connectivity, hardware and software support, even big schools and colleges are small from the point of view of their procurement of IT. Without aggregation, public money will be wasted.

Membership organisations, such as the Association for Learning Technology (ALT), Naace (the schools based ICT Association) and UCU, that are rooted in the community of front-line service providers, should be consulted on taking a bigger role in dissemination, professional development and information sharing, so that the BECTA knowledge base and some of the tools and review frameworks that it developed could be sustained rather than being left to rot.

The two key Government departments that were funding BECTA - Education and BIS - need now to involve the ICT in learning community, including membership organisations like ALT, Naace and UCU.

### **How can the activity be provided more effectively?**

We consider that FE colleges are providing education and training effectively and efficiently. The Association of Colleges' *College Key Facts Summer 2010* shows that 98% of colleges inspected are judged satisfactory or better by Ofsted for the quality of their provision, and in 65% of colleges, provision is good or outstanding; 96% of colleges are judged satisfactory or better for their overall effectiveness, and in

63% of colleges this is good or outstanding. Two-thirds of people polled say their local college has a good reputation for the quality and range of courses it provides. National Student Surveys find that 90% of students are fairly, very or extremely satisfied with the quality of teaching in colleges.

**Can the activity be provided by a non-state provider or by citizens, wholly, or in partnership?**

16 to 18 education and training is, and could continue to be, provided by non-state providers. We acknowledge that the voluntary sector is able to reach some hard to reach groups of young people very effectively. We consider that this is best done in partnership with public sector providers - as is currently mostly the case. This ensures that the quality of such provision is high and that public funds are used effectively and well. We do not consider that learning activities for young people can be properly and effectively provided by 'citizens'. The costs of providing quality provision and the essential infrastructure would be too high for such provision to be created and quality maintained.

"Who else is there to provide ... education, other than the colleges, universities? There are so-called training organisations. I have worked for one, where the pay for a f/t [full-time] tutor is around £18K pa. We think that the current pay of around £26K pa for an FE teacher is an insult given the higher (but hardly exorbitant levels) awarded to those who teach in schools ... Having worked for a training organisation, I might also add that there is minimal support and back-up for tutors in this area for they are not managed by qualified teachers, or any kind of teacher for that matter."

Helen Weber

"[Further] education since 1992 has been delivered by independent companies. It is my opinion that this has damaged the service not improved it."

Ian Painting, Canterbury College

"Economic principles tell us that a running down of the economy exacerbates supply constraints once the economy begins to recover. How are you ensuring that public sector employees facing redundancy have an equal opportunity to re-train particularly at a time when you are aiming to encourage a magical and miraculous growth of alternative providers to the state?"

Mahmoona Shah, Bradford College

“Further education is one of the major stepping stones to reaching higher education for learners who are not the highest fliers ... The funding of this kind of education needs to be kept within the public sector. Education and the sustainability of the nation’s skills base cannot be measured by private sector standards. Pushing people through courses and paying teachers on results (as often happens in private sector businesses) does not give best value to the learner and adds undue pressure to their learning experience.”

Shona Terry, York College

### **Can non-state providers be paid to carry out the activity according to the results they achieve?**

FE funding has been based at least in part on achievement since 1993. It would therefore not be impossible for this type of funding methodology to be extended to non-state providers. Indeed such providers are already present in 16 to 18 education and training, and are coping with the current funding methodology. There are potential difficulties in adopting a funding system that is based too much around outcomes, with scant regard for the cost of inputs.

Experience in the 1990s with the FE Funding Council funding methodology - which introduced an element of outcome payments - suffered a certain amount of abuse, with providers artificially maximising funding by adding unnecessary additions to learning programmes. These were largely eradicated by the Learning and Skills Council’s funding methodology, but such practices could re-emerge if payment was too focused on outcomes.

There are other dangers with curriculum development and innovation, which could be squeezed out by providers becoming risk averse and unwilling to try to attract new and more difficult learners into provision, or to try new teaching and learning methods. There can also be some direction of learners into provision that did not stretch or extend them, but in which the students could succeed and thus meet the expected and fundable outcomes.

### **Can local bodies, as opposed to central Government, provide the activity?**

Local bodies do provide the great majority of FE. The issue may be how much discretion local bodies - such as FE colleges - have to

respond to local circumstances, and how much of their activity is directed by central Government.

FE's contribution to the education and training of young people is largely in the area of 14/16 to 18. There is a need at local level to have structures that can bring different providers together to plan and co-ordinate the programme offer to young people. Without such structures and processes there can be duplication and waste in provision. Some provision will be over supplied, whilst there may be serious gaps in other provision. There are certain needs - for example, of young people with learning difficulties/disabilities, and young offenders - where planning and provision must be co-ordinated and collaboration secured. For FE these structures need to be instituted at sub-regional and regional levels, not least because many FE colleges have outgrown their local authority boundaries and attract students from a wide area.

The current Government has abandoned the National Commissioning Framework and intends to fund FE colleges directly through the YPLA on the basis of the previous year's student numbers. UCU had reservations about the NCF, not least its complexity and the time that would be needed to undertake all its provisions in a timely manner. However we do feel that some co-ordination of local provision is still required. If everything is left to individual providers and market forces, then there may well be over- and under-provision in some subjects and some areas.

**Limit, as far as possible, the impact of reductions in spending on the poorest and most vulnerable in society, and on those regions heavily dependent on the public sector**

The planned reductions in public expenditure seem to be at such a level that it will be impossible to protect the poorest and most vulnerable, and regions most heavily dependent on the public sector. Given one of the Government priorities is to increase the level of participation of young people in education and training, and also to reduce the rising levels of young people who are NEETs, there will need to be funding that is directly targeted and is used to maintain initiatives and policies in pursuance of these priorities.

**Protect, as far as possible, the spending that generates high economic returns**

With the level of planned spending reductions, it will be difficult to protect spending that generates high economic returns. In addition, FE activity has to be judged not just by its economic returns, but also by its contribution to the nation's health, social mobility and

cohesion. Government spending on FE may well be directed to activities which would not otherwise take place, due to market failure; such activities are still necessary, and should be funded by Government or they will not take place.

## Higher education

As the route to the professions and other highly skilled occupations, our universities are key determinants of people's life chances. As the main curators and transmitters of the accumulated knowledge and understanding of our society and the principal source of new insights and their practical application, our universities are our intellectual lifeblood. Both functions are under threat as never before.

### UCU's key funding policies

Serious public investment in higher education is required. In particular, we advocate:

- \* Maintaining the current level of public spending on higher education in terms of GDP, and increasing the proportion of UK public expenditure on higher education to the OECD average when conditions allow (in 2007, the most recent year for which data were available at the time of writing, UK public spending on HE was 0.7% of GDP, compared with the OECD average of 1.0% — increasing public spending by 0.3% of UK GDP would add £4.6 billion a year to the sector's income at 2011-12 prices).<sup>22</sup>
- \* Maintaining the unit of funding resource per full-time equivalent student in real terms.
- \* Transforming the career structure for fixed-term staff, including the conversion of hourly-paid teaching posts to fractional contracts.
- \* An improved recognition of good teaching in the HE promotions and rewards system.

UCU is strongly opposed the introduction of tuition fees. We believe that they are a barrier to access to higher education for thousands of students, particularly those from poorer backgrounds. We recommend that:

- \* Tuition fees should be abolished, instead charging large employers, who benefit from the plentiful supply of graduates, a Business Education Tax, generated through increasing the main rate of corporation tax to the G7 average of 32.87p in the £.<sup>23</sup>
- \* 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.



\* There is a restoration of proper maintenance grants to prevent a 'two-tier' student experience.

\* All part-time students should be given pro-rata access to the full range of grants, loans and bursaries and the ability to defer paying fees.

\* Properly funded initiatives should be put in place to achieve the objective of the Bologna Process of 20% of students having the opportunity to experience a significant study period in another country by 2020.

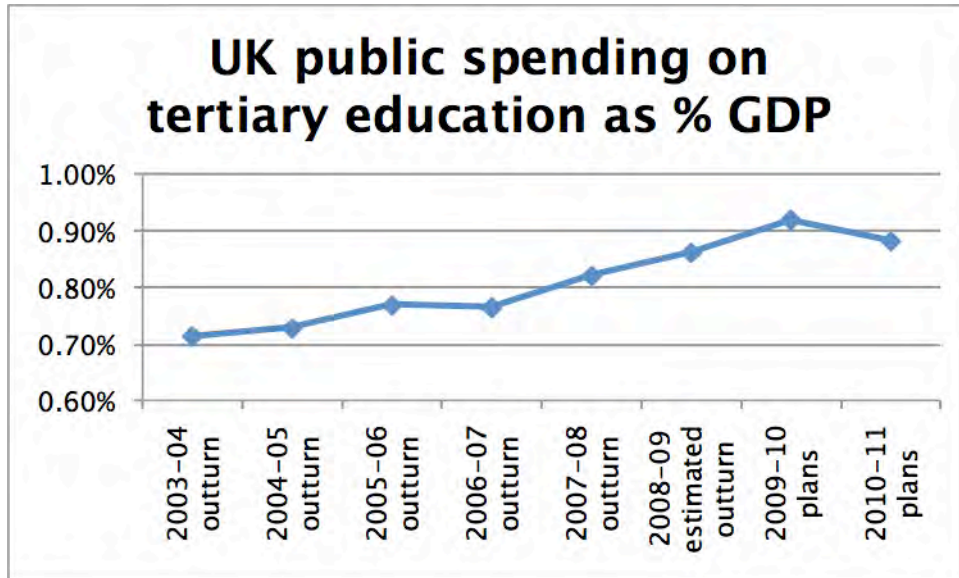
## Funding

The growth in UK public spending on tertiary education in cash terms and as a proportion of GDP in the current decade tailed off in 2010-11, the final year of the 2007 spending review period. However, it should be noted that the cash GDP actually fell in 2009-10 as a result of the recession, before picking up in the following year; the effect of this fall in GDP will be to make public spending in 2009-10 look higher than usual.

### UK public spending on tertiary education

Financial year	Tertiary education £ million	Tertiary spending as % GDP
2003-04 outturn	8,261	0.71%
2004-05 outturn	8,831	0.73%
2005-06 outturn	9,782	0.77%
2006-07 outturn	10,308	0.76%
2007-08 outturn	11,675	0.82%
2008-09 estimated outturn	12,342	0.86%
2009-10 plans	12,880	0.92%
2010-11 plans	12,986	0.88%

Central Government own expenditure on services, including capital – excludes local authority expenditure.  
 Money GDP cash data at [http://www.hm-treasury.gov.uk/data\\_gdp\\_fig.htm](http://www.hm-treasury.gov.uk/data_gdp_fig.htm) Last updated 12 July 2010 (accessed 25.8.10).  
 Education spending data: HM Treasury, Public Expenditure Statistical Analyses 2009, table 6.4. % calculations: UCU.



Central Government own expenditure on services, including capital – excludes local authority expenditure.  
 Money GDP cash data at [http://www.hm-treasury.gov.uk/data\\_gdp\\_fig.htm](http://www.hm-treasury.gov.uk/data_gdp_fig.htm) Last updated 12 July 2010 (accessed 25.8.10).  
 Education spending data: HM Treasury, Public Expenditure Statistical Analyses 2009, table 6.4. % calculations: UCU.

Public expenditure on higher education institutions in the UK as a proportion of GDP in recent years has generally been below that of competitor countries such as France, Germany and the USA; it has consistently been below the average for the OECD. It is a matter of concern that in 2006-7, according to data provided to the OECD by the UK Government, UK public spending on higher education fell from 0.9% to 0.7% of GDP. While UK total expenditure on higher education has increased from 1.1% of GDP in 1998-9 to 1.3% in 2006-7, that has only happened because private contributions have increased from 0.3% to 0.6% of GDP, particularly since the introduction of variable top-up fees in 2006 in England and Northern Ireland.

UCU policy is that UK public spending on higher education should at least match the OECD average.

#### Public expenditure on higher education institutions as % of GDP 1998-2006

	France	Germany	Japan	UK	USA	OECD average
	%	%	%	%	%	%
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
2003	1.1	1.0	0.5	0.8	1.2	1.1

	France	Germany	Japan	UK	USA	OECD average
2004	1.2	1.0	0.5	0.8	1.0	1.0
2005	1.1	0.9	0.5	0.9	1.0	1.1
2006	1.1	0.9	0.5	0.9	1.0	1.0
2007*	1.2	0.9	0.5	0.7	1.0	1.0

\*ie 2006-7.

Includes private expenditure on institutions subsidised by public funds.

Source: OECD, Education at a Glance (series), table B2.4 (Data for earlier years was not in a directly comparable series).

### Expenditure on higher education institutions as % of GDP

	France			Germany			Japan		
	Public %	Private %	Total %	Pub. %	Pri. %	Total %	Pub. %	Pri. %	Total %
<b>1998*</b>	1.01	0.12	1.13	0.97	0.08	1.04	0.43	0.60	1.02
<b>1999</b>	1.0	0.1	1.1	1.0	0.1	1.1	0.5	0.6	1.0
<b>2000</b>	1.0	0.1	1.1	1.0	0.1	1.0	0.5	0.6	1.1
<b>2001</b>	1.0	0.1	1.1	1.0	0.1	1.0	0.5	0.6	1.1
<b>2002</b>	1.0	0.1	1.1	1.0	0.1	1.1	0.4	0.6	1.1
<b>2003</b>	1.1	0.2	1.4	1.0	0.1	1.1	0.5	0.8	1.3
<b>2004</b>	1.2	0.2	1.3	1.0	0.1	1.1	0.5	0.8	1.3
<b>2005</b>	1.1	0.2	1.3	0.9	0.2	1.1	0.5	0.9	1.4
<b>2006</b>	1.1	0.2	1.3	0.9	0.2	1.1	0.5	1.0	1.5
<b>2007**</b>	1.2	0.2	1.4	0.9	0.2	1.1	0.5	1.0	1.5

	UK			USA			OECD average		
	Pub. %	Pri. %	Total %	Pub. %	Pri. %	Total %	Pub. %	Pri. %	Total %
<b>1998*</b>	0.83	0.28	1.11	1.07	1.22	2.29	1.06	0.29	1.33
<b>1999</b>	0.8	0.3	1.1	1.1	1.2	2.3	1.0	0.3	1.3
<b>2000</b>	0.7	0.3	1.0	0.9	1.8	2.7	1.0	0.3	1.3
<b>2001</b>	0.8	0.3	1.1	0.9	1.8	2.7	1.0	0.3	1.4
<b>2002</b>	0.8	0.3	1.1	1.2	1.4	2.6	1.1	0.3	1.4
<b>2003</b>	0.8	0.3	1.1	1.2	1.6	2.9	1.1	0.4	1.4
<b>2004</b>	0.8	0.3	1.1	1.0	1.9	2.9	1.0	0.4	1.4
<b>2005</b>	0.9	0.4	1.3	1.0	1.9	2.9	1.1	0.4	1.5
<b>2006</b>	0.9	0.4	1.3	1.0	1.9	2.9	1.0	0.5	1.5
<b>2007**</b>	0.7	0.6	1.3	1.0	2.1	3.1	1.0	0.5	1.5

\*1997-8 financial year (for UK)

\*\*2006-7 financial year (for UK)

Includes private expenditure on institutions subsidised by public funds.

Source: OECD, Education at a Glance (series), table B2.1b, B2.4 (Data for earlier years was not in a directly comparable series).

### Is the activity essential to meet Government priorities?

It is clear from recent ministerial statements that higher education is essential to meet Government priorities. Higher education minister David Willetts said in June 2010: "There is strong evidence that graduates enjoy better health. They tend to be more active in community life. They're more likely to see their own children go on to a university career – perpetuating the social mobility we're so intent on boosting." <sup>24</sup>

Vince Cable, the secretary of state for business, innovation and skills, expressed in July 2010 the importance of higher education. "To people who have benefited from a university education, or supply it, the case for universities may be self-evident. But the greatest gifts bestowed by universities – learning how to learn, learning how to think; intellectual curiosity; the challenge and excitement of new ideas – are intangible and difficult to quantify ... Modern economies are knowledge based and universities are central to how we prepare for that." <sup>25</sup>

However, latest data from the OECD indicates that the UK has fallen from third equal in 2000, at 37%, to 15<sup>th</sup> in 2008, at 35%, in the table showing the proportion of the population in the typical age cohort for tertiary education with a degree. <sup>26</sup>

Investment in this sector is vital if the UK is to reduce the proportion of young people who are neither in education or in the labour force – including those who have experience of tertiary education. The OECD has reported that the proportion of 15-19 year olds in the UK not in education or the labour force in 2008 (4.5%) was above the OECD average, as was the proportion of those aged 20-24 (10.5%) and those aged 25-29 (12.1%). <sup>27</sup>

"Universities are central to driving the intellectual health of the nation, both through teaching and research."

Prof Iain Sutcliffe, University of Northumbria

"If the budget for research and learning is cut then the medium- to long-term impact for UK PLC will be drastic and demeaning."

Professor Michael Taggart, Newcastle University

### **Does the Government need to fund this activity?**

Public spending on higher education is vital. Under the Labour Government that came to power in 1997, the long-term decline in the unit of public spending per higher education student was halted. The unit of spending was maintained level with inflation until 2010, when there was a small real terms reduction. In all, cuts of £1.2 billion up to 2012-13 have recently been announced for higher education. This is the wrong direction: the Government needs to protect and nurture higher education, rather than prune it to a damaging extent.

On 24 May 2010, at the same time as cutting spending of £200m from higher education, the Department for Business, Innovation and Skills said: "BIS is protecting spending on Research, Innovation, Business and Enterprise and student numbers in Higher Education, which will see an increase of 10,000 places". Although there were an extra 10,000 places for 2010-11, this was 10,000 fewer than the previous Government had planned. <sup>28</sup>

The squeeze on additional funded student places, together with the increase in the UK's numbers of potential students and an increase during the recession in those wishing to enter higher education to upskill or reskill, has meant in recent years a very large number of qualified students who have not been able to gain a place at university. The table below shows the number of unplaced applicants in 2009, a number which is likely to rise in 2010.

### UK full-time undergraduate applicants and acceptances

	2009	2010
<b>Applicants by 30 June</b>	592,312	660,953
<b>Final Applicants</b>	639,860	
<b>Accepted applicants</b>	481,854	
<b>Extra places (England)</b>	10,000*	10,000
<b>Unplaced applicants</b>	158,006	

\*'one-off' additional STEM students

Source:

[http://www.ucas.ac.uk/about\\_us/media\\_enquiries/media\\_releases/2010/releasetables](http://www.ucas.ac.uk/about_us/media_enquiries/media_releases/2010/releasetables)

[http://www.ucas.ac.uk/about\\_us/media\\_enquiries/media\\_releases/2010/210110](http://www.ucas.ac.uk/about_us/media_enquiries/media_releases/2010/210110)

In all, recent funding cuts to higher education in England alone currently amount to nearly £1.2 billion for the period 2009-10 to 2012-13.

### Funding cuts: England

	Funding cut £m		
<b>2009-10</b>	83	5,000 cut in extra student FTEs	Oct 2008 DIUS letter to HEFCE
	60		2009 Budget
<b>2010-11</b>	120		2009 Budget
	135	Higher than expected cost of student support	2009 grant letter
	200		24 May 2010 BIS anno
<b>2011-12</b>			
<b>2012-13</b>	600	HE, science, research	2009 PBR
<b>2009-10 to 2012-13 total</b>	1,198		

BIS = Department for Business Innovation and Skills

DIUS = Department for Innovation, Universities and Skills (as was)

HEFCE = Higher Education Funding Council for England

PBR = Pre-Budget Report

There is a consensus that teaching in HE is currently under-funded and under-valued. In September 2010 higher education minister David Willetts said: "The balance between teaching and research has gone wrong. This is not because universities have suddenly made some terrible mistake. Theirs is a rational response to incentives created by successive Governments. We have strengthened the incentives for everyone to carry out research with no change in the regime for teaching. It should be a source of pride for an institution to be an excellent teaching university. That is what most students rightly see as the backbone of their university experience." <sup>29</sup>

While the Government has been prepared to make some additional investment in research, this has not been the case for teaching. The funding gap impacts particularly on institutions with large numbers of less academically prepared students, and students studying part-time, where teaching costs will be high. However, throughout the sector UCU members have to deal with much larger class sizes, have less time to spend with students and are increasingly employed on short-term, casual contracts. Our comments in the section below '**How can the activity be provided at lower cost?**' expand on this concern.

The impact of a 25% cut in public spending on higher education would result in an estimated increase in the student:staff ratio from 18.4:1 to 20.2:1; a 33% cut in public spending would increase the ratio to nearly 21:1. This is likely to be a conservative estimate, because it assumes that universities will cut funding in line with current expenditure patterns. But it is likely that staff costs would be hit harder, since non-pay costs, such as heating and electricity, are less flexible. <sup>30</sup>

In research, the UK produces about 9% of the world's academic papers and receives about 10% of the world's citations. UK's research productivity and quality remains second only to the US. UCU is concerned that funding cuts could undermine the UK's prominence and capacity in science and research. Lord Rees, president of the Royal Society, said in September 2010: "The financial crisis has not prevented the US from proposing a 7.2% rise in its science budget. Nor has it stopped Germany from investing an additional €18bn in the next five years or France from investing a further €35bn. China continues to make 20% year-on-year increases in its research investment ... It is crucial that short-term austerity should not undermine our science and innovation capability ... Cuts would create the impression that UK science is in relative decline and make the UK a less attractive location for mobile talent and investment." <sup>31</sup>

"Even in the present economic climate, other EU nations are investing more heavily in higher education than the UK. As such we should protect our investment in education or else risk falling catastrophically behind in our efforts to establish a successful knowledge-based economy."

Prof Iain Sutcliffe, University of Northumbria

"This is a time for investment in Higher Education. Be a brave Government and allow people to retrain and re-educate so we can build a society of highly educated individuals with a positive work ethic."

Mark Broom, University of Glamorgan

"I urge you to consider increased public funding for higher education rather than the savage cuts that are proposed by some. Now, more than ever before, this country requires a highly skilled and trained workforce"

Dr. N.M. Queen, University of Birmingham

"Surely it is a gross injustice for those of us who have thus benefited to deprive 200,000 or more potential students the educational experiences we ourselves have enjoyed and which have so benefited our careers."

Ashley R Whalley, Blackburn College

"The birthplace of ideas is the student's mind, the midwife is the academic (lecturer or researcher), and the incubator is the university ... Don't cut education, it's our's and our children's future."

Ronnie MacLellan, Oxford Brookes University

"Investment in higher education is needed and not cuts. Many people in the sector are just coping at present and further funding reductions will damage services. There is no point in having large numbers of students if they are not receiving good education."

Professor Mark Addis, Birmingham City University

"I believe the UK higher education and research sector is at a cusp - even Oxbridge and the Russell group. It has taken centuries to build what we have. It will take only a single Government term to damage it past repair. If our best students leave, there will be fewer and

fewer potential staff in a few years' time to maintain the system."

Alan Rector, University of Manchester

### **Does the activity provide substantial economic value?**

Research by Universities UK shows that, from an income of £23.4 billion, the higher education sector generates about £59 billion of output through direct and secondary effects, generates about 2.6% of UK jobs, and earns about £5.3 billion in exports.<sup>32</sup>

While the benefits of education are far wider than the simply financial, the data on the private and public rate of return for individuals who have obtained tertiary education clearly indicate the benefits of investing in learning. People who have education to this level will have considerably higher lifetime earnings than those who have been educated to the level of upper secondary or post-secondary non-tertiary education; they will make greater contributions to the state through higher tax and national insurance payments, and require less in the way of transfer of funding through social security benefits. The OECD has estimated that the public net value including income tax and social security payments for males in the UK who have obtained tertiary education over their lifetime is \$95,318, and \$82,289 for females. This compares favourably with the direct cost to the state for their education of \$24,919.<sup>33</sup> While only 66% of those adults in the UK whose education level is below secondary report good health, that proportion rises to 76% for those who have an upper secondary level of education and to 86% for those who have had tertiary education. Similar benefits rising with the level of education received can be observed regarding the proportion of adults expressing an interest in politics, and in the proportion of adults expressing interpersonal trust.<sup>34</sup>

"the university sector ... has been bringing in net revenue to this country over the past twenty years, in view of the large number of foreign students it attracts, so it seems madness to cut it as planned"

Dr Stephen Bax, University of Bedfordshire

" ... the university sector was NOT responsible for the global economic turndown but, in all likelihood, will be a ... major contributor to medium- to long-term economic recovery"



Professor Michael Taggart, Newcastle University

"The economic value of HE is unquestionable, though in some areas, difficult to measure. Its cultural and social value is still more difficult to quantify, but no less substantial for that - across all kinds of institutions, and not just the 'top' research universities"

Cathy Turner, University of Exeter

"HE has clear economic benefits for the UK and any cuts could dramatically reduce our competitiveness"

James Pattison

"Research and education will be the making of every 21st century economy"

David Wilson

### **Can the activity be targeted to those most in need?**

UCU is concerned that funding cuts to higher education risk consigning a whole generation to the 'scrapheap of inactivity'.

Increasing the costs of higher education will undermine the Coalition Government's plans to attract a higher proportion of students from disadvantaged backgrounds.

UCU believes that we must preserve both the quality of our universities and their openness - as the famous Robbins principle says - to all those able to benefit from higher education and who wish to do so.

"Cutting funding in the public sector and in particular HE will lead to a greater number of people in the UK having fewer skills and less knowledge ... I personally come from a working class background - my father was a textile factory worker and my mum a secretary. Through the investment in the public service I have had the advantage of a university education and can see the numerous benefits. I have been able to get a job after a lot of hard work and dedication in the public service supporting the idea that a high quality education is essential for improving peoples quality of life, for social cohesion and to produce well qualified skilled people to build the UK economy."

Gail Millin-Chalabi, University of Manchester

"I grew up in Merseyside in a working-class family who could not have afforded to send me to university had the conditions for doing so been the same then as they are today. I am now a qualified Doctor of Bio-Organic Chemistry who has contributed to projects including the search for new anti-cancer drugs and for global food security ... Access to higher education has given me opportunities that would not have been open to me otherwise. It is therefore with alarm and regret that I read about the cuts to student places for the coming academic year and the further cuts in investment in higher education which seem inevitable as a consequence of the forthcoming spending review. This means that others will be denied the kind of opportunities I have had and will be prevented from contributing to the development of knowledge, the creation of wealth and the search for solutions to the problems which beset our modern world."

Dr Andrew J Humphrey, University of Bradford

"[If you] significantly increase costs to the individual student ... fewer of our youth will be able to afford HE, making it a privileged society once more and decreasing the supply of bright, educated workers in an information society that relies on well-prepared students."

Dr Richard Ranker, Lancaster University

"The plan to charge increasingly high fees and to limit the number of places at University is likely to lead to a diminution of the range of backgrounds from which students are able to access a University education. So talk of social mobility and widening participation becomes just empty rhetoric in the face of the reduction in access to HE."

Millie Taylor, University of Winchester

### **How can the activity be provided at lower cost?**

UCU does not think higher education can be provided at lower cost without reducing the quality of student experience or diminishing the high quality of research, which in turn would jeopardise the international reputation of the UK's universities.

We are already concerned about the quality of student learning experience, particularly the ratio of students to academic teaching

staff – the student:staff ratio (SSR). The ratio of students to teachers provides an indication of workload for teachers and support or academic-related staff in higher education. It can also be viewed as one indicator of the quality of education provided for students on the basis that the more teaching and support staff per learner, the better the learner’s educational experience is likely to be.

In recent years, the UK SSR calculated by the Higher Education Statistics Agency has fluctuated around 17 full-time equivalent students to one full-time member of academic staff. The SSR has decreased slightly since 2005-6, when it was 16.8:1, to 2008-9, when it was 16.3:1. However, the use of data from the Transparent Approach to Costing (TRAC) surveys of time allocation by teaching-and-research academic staff produces a radically different, and higher, SSR than the current ‘standard’ SSR. This is because HESA reckons academics combining teaching and research to be spending all their time teaching, whereas TRAC data shows that the proportion of their time spent on teaching may be as low as 35%. The difference is particularly marked in the research-intensive HEIs.

The much higher adjusted SSR provided in this submission has implications for staff, in terms of providing evidence that workload relating to student numbers is much higher than it currently appears on the basis of HESA SSRs. It also has implications for students, in terms of the quality of their learning experience and the amount of availability of academic and academic-related support staff. Funding is needed to address the issue of high student:staff ratios and jeopardising the quality of student learning experience.

#### SSRs based on TRAC data

	SSR using TRAC data	UCU average of official HESA SSR 2008-9
TRAC peer group		
<b>TRAC group A:</b> Russell Group (all have medical schools) excluding LSE, plus specialist medical schools	32.8:1	11.9:1
<b>TRAC group B:</b> All other institutions with Research income of 22% or more of total income	32.1:1	15.5:1
<b>TRAC group C:</b> Institutions with a Research income of 8%-21% of total income	33.9:1	16.4:1
<b>TRAC group D:</b> Institutions with a Research income of between 5% and 8% of total income and those with a total income > £120m	30.8:1	18.8:1
<b>TRAC group E:</b> Teaching institutions with a turnover of between £40m and £119m	29.0:1	19.1:1
<b>TRAC group F:</b> Smaller teaching institutions	28.9:1	19.7:1
<b>TRAC group G:</b> Specialist music/arts teaching institutions	25.4:1	15.1:1

SSR = Student:Staff Ratio

TRAC = Transparent Approach to Costing

HESA = Higher Education Statistics Agency

The UK's SSRs have consistently been higher than for the OECD as a whole, and for economic competitor countries such as the United States, Germany and Japan.

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

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>France</b>	16.9 : 1	18.3 : 1	18.1 : 1	17.9 : 1	17.6 : 1	17.8:1	17.3:1	17.0:1	16.6:1	16.2:1
<b>Germany</b>	12.3 : 1	12.1 : 1	12.3 : 1	12.6 : 1	12.5 : 1	12.7:1	12.2:1	12.4:1	12.1:1	11.5:1
<b>Japan</b>	11.5 : 1	11.4 : 1	11.3 : 1	11.2 : 1	11.0 : 1	11.0:1	11.0:1	10.8:1	10.6:1	10.4:1
<b>UK</b>	18.5 : 1	17.6 : 1	17.6 : 1	18.3 : 1	18.2 : 1	17.8:1	18.2:1	16.4:1	17.6:1	16.9:1
<b>USA</b>	14.0 : 1	13.5 : 1	13.7 : 1	17.1 : 1	15.2 : 1	15.8:1	15.7:1	15.1:1	15.1:1	15.0:1
<b>OECD country mean</b>	15.3 : 1	14.7 : 1	16.5 : 1	15.4 : 1	14.9 : 1	15.5:1	15.8:1	15.3:1	15.3:1	15.8:1

Based on full-time equivalents

\* All tertiary education: 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

To seek to provide higher education at a lower cost would exacerbate the problems currently indicated by the UK's high SSRs.

"In the face of unprecedented demand from students for higher education, there should be no reduction in funding. An increase in student numbers and shrinking resources will lead to falling SSRs and therefore falling standards."

Dr Peter Kirby, University of Manchester

"Putting pressure on HE to cut costs by decreasing the length of the typical degree from three to two years will cheapen the value of this product we call a HE degree ... international students, who are currently willing to pay a premium for UK degrees, will be less attracted to a lesser degree."

Dr Richard Ranker, Lancaster University

"Be very careful with this. Investment produces greater benefit than cost but cannot be free."

David Wilson

### How can the activity be provided more effectively?

We consider that UK higher education institutions are providing teaching and research efficiently and effectively.

In the UK's 2010 National Student Survey, of more than 250,000 final year students, 82% said that they were very satisfied or satisfied with their course.

At the same time, the system continues to be blighted by poor and excessive management and by funding arrangements which are constantly changing, creating permanent instability and making sensible planning virtually impossible. Money better spent on the core functions of teaching, learning and research is being wasted on quangos, consultants and form-filling.

"Abolishing the apparatus of impact assessment in favour of peer review would liberate resources currently wasted by the Research Councils and HE funding agencies, as well as reducing the burden of administration in academia. Such a cut would be entirely painless and even be popular!"

Andy Parker, University of Cambridge

"UK academics are best placed to tell you this [**How can the activity be provided more effectively?**]. Work with them to produce more effective teaching and learning. The answer is not ever greater class sizes and lowering engagement."

David Wilson

### **Can the activity be provided by a non-state provider or by citizens, wholly, or in partnership?**

UCU has serious concerns about the current establishment of private for-profit providers. As we showed in our recent report 'Privatising our universities', there are major and obvious failings in these institutions as compared both with current best practice in the publicly controlled sector, most notably in relation to their governance structures and to academic control.<sup>35</sup>

"The previous Government's impact agenda has attempted to focus research on short-term, low-risk, research. This class of research should be supported by private investors and industry, who are the principal beneficiaries, and who are best placed to decide what constitutes a market opportunity."

Andy Parker, University of Cambridge

"Non-state providers currently engaged in higher education seek to make a profit - to withdraw value from the system for the cash benefit of investors. Let the state make the investment and the state reap the benefit."

David Wilson

"My area of practice is healthcare ... Healthcare is not an area in which profit can be made. The private sector will not pick up the gaps left by cuts in the public sector. Working to find more economic and targeted ways of delivering healthcare education can only happen if we are able to work with partner organisations and this requires strategic vision. Cuts in funding so far mean we are restricted in this activity; development is on the back burner as we struggle to deliver in the present."

Sarah Patrick, Leeds Metropolitan University

"Attempts to involve the private sector in delivering university teaching do not have a proud history. If results are measured in terms of numbers of students taught or numbers of degrees awarded, standards are driven down."

Sarah Whitehouse, University of Sheffield

"There is one private university in the UK. It does not even try to cover the range of subjects that the UK needs to support its economy."

Dr A.P. Boyle, University of Liverpool

"... not all research is immediately attractive to or fundable by private business and industry, and the Government must be long-sighted enough to ensure a continuing stable platform of University education and research across the range of subjects."

Anne Hesketh, University of Manchester

"The Government needs to support its HE sector, as it is a major national asset. It also effectively 'exports' whilst on UK soil, by bringing overseas students here to learn and contribute to the sector and economy whilst here. This in turn fosters good relations with emerging markets such as China. Private companies cannot provide this as well, and by being paid for results will tend to dilute the value

of qualifications. Once UK HE is seen as a 'buy a degree' culture, its value will decline and ultimately no one will want or respect it."

Helen Shay

**Can non-state providers be paid to carry out the activity according to the results they achieve?**

"It can be very hard to quantify the rich and varied ways in which academia provides value. Arts, social science and many other areas of activity may not produce obvious short time gains which can be easily measured and yet they enrich our nation and our society and are crucial to our way of life."

David Wilson

"What would be the results? Numbers of students? Numbers of papers? Quality of papers? Numbers of research grants? (all currently assessed by different external bodies). How would these results be validated in a way that be transparently effective? Look at the huge cost and waste of the RAE/REF [Research Assessment Exercise/Research Excellence Framework]!"

Dr A.P. Boyle, University of Liverpool

**Can local bodies, as opposed to central Government, provide the activity?**

Higher education institutions are autonomous bodies; although they are funded to a lesser or greater extent by central Government, they are the organisations – not central Government – that provide higher education. While individual institutions may vary in the extent to which they focus on providing teaching, research, and business and community-linked activities related to their locality or region, most if not all institutions provide activities which have an impact on their locality.

**Limit, as far as possible, the impact of reductions in spending on the poorest and most vulnerable in society, and on those regions heavily dependent on the public sector**

There is some evidence that making students pay more for higher education deters those from the poorest and most vulnerable groups in society. Reductions in public spending would almost inevitably lead to increases in the cost to students of higher education. This in turn would be likely to deter participation by disadvantaged students. UCU is therefore against reductions in spending.

Higher Education Statistics Agency performance indicators show a falling proportion of young full-time undergraduates from a disadvantaged background - ie socio-economic groups 4 (small employers and own account workers) to 7 (routine occupations) - in England in 2007-8, the year after variable top-up fees were introduced. The 'disadvantaged' proportion rose from 28.6% in 2002-3 to 30.3% in 2006-7, and then fell to 30.0% the following year.

#### **Proportion of young full-time undergraduates from a disadvantaged background**

<b>England</b>	
	<b>%</b>
<b>2002-3</b>	28.6
<b>2003-4</b>	28.8
<b>2004-5</b>	28.3
<b>2005-6</b>	29.6
<b>2006-7</b>	30.3
<b>2007-8</b>	30.0
<b>2008-9*</b>	n/a

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 HESA from 2002-3; data are from Table T1b 'Participation of under-represented groups in higher education – young full-time undergraduate entrants'

\*data not gathered in 2008-9, but HESA says it will be available again in 2009-10

There is also evidence from the HESA performance indicators for higher education institutions in England that high levels of students from a disadvantaged socio-economic background are linked with high levels of discontinuation of studies by students from low participation neighbourhoods.

There was a strong positive correlation (significant at the 0.01 level) between the proportion at a higher education institution of young full-time first degree entrants from the disadvantaged socio-economic groups 4-7 in 2006-7, and the proportion at the same institution of young full-time first degree entrants from a low participation neighbourhood who had discontinued their studies a year later. While



people from socio-economic groups 4-7 and those from low participation neighbourhoods are not necessarily the same thing, as noted above, the latter can be taken to be an approximate indicator of the former.

For example, the University of Wolverhampton had the highest level in England of young full-time first degree entrants in 2006-7 from socio-economic groups 4-7, of 51%; in 2007-8 at Wolverhampton, 14.8% of young full-time first degree entrants in 2006-7 from low participation neighbourhoods had discontinued their studies.

At the other end of the spectrum, 9.8% of young full-time first degree entrants in 2006-7 at the University of Oxford were from socio-economic groups 4-7, and 1.1% of young full-time first degree entrants in 2006-7 from low participation neighbourhoods had discontinued their studies in 2007-8.

"I was the first person in my family to go to University. Had that education not been funded I would not have had the career I've had, first in the creative industries and now in passing my experience and education on to others."

Millie Taylor, University of Winchester

"If student places are cut what is the marginal saving achieved assuming potential students end up unemployed and claiming benefits, or simply displace the less qualified from employment. Additionally what is the long term cost of consigning large numbers of young people to a substantial period of unemployment - the fact that there will be substantial numbers seeking work from cuts elsewhere makes this group particularly vulnerable."

Dr Shaun Forth, Cranfield University

"I am ... the product of the Widening Participation agenda given that I went to University as a mature single-parent of two children via the Access to HE route. Before starting my degree course I was on benefits for 18 months. Since graduating in 1999 I have worked in HE, generating income for the Treasury via my taxes and NI and generating wealth for this country. Opportunities that you are proposing to deny to others. That cannot be right in a fair society."

Marie Morley, University of Bath

"Cutting central funding to HE immediately raises the prospects of universities charging ever more per student - making the poorest

unable to aspire to improving their own situation.”

David Wilson

“... we frequently take 'non-traditional' students ... If the Government makes it more difficult for people to afford to go to University it will be many of these students, who are unsure of their capabilities and whether they will achieve a good degree, who do not come to University. I believe that this will be a considerable waste of their talent, and lead to a return to a society where only a minority can benefit from a longer education.”

Anne Emerson, Nottingham Trent University

### **Protect, as far as possible, the spending that generates high economic returns**

Research by Universities UK shows that the higher education sector produces high economic returns, generating about £59 billion through direct and secondary effects, generating about 2.6% of UK jobs, and earning about £5.3 billion in exports.

“The HE sector provides the education required for economic growth and the development of new industries and ideas essential for a growing economy.”

Stephen Brigdale

“As a long-term recruiter of international students on behalf of my university, I have experienced at first hand the admiration and appreciation that overseas students have for our higher education system. The cuts you wish to impose will seriously undermine our provision, and damage the prospects of future generations in the UK as well as cutting the substantial income these students bring to the UK economy.”

Cynthia Gault, Bradford University

“I work setting up Knowledge Transfer Partnerships and have noticed that fewer UK students are applying for KT positions. Most of the impressive applicants are from China and India. This cannot be right in a knowledge economy. We must show that we value knowledge and are prepared to invest in it. Now is not the time to slash the education budgets.”

Marie Morley, University of Bath



## Appendix 1

### Participation of under-represented groups in higher education: Young full-time first degree entrants 2006-7 from SEG 4-7, and non-continuation in 2007-8 following year of entry in 2006-7 by young entrants from low participation neighbourhoods

<b>HEIs England*</b>	<b>1.Young entrants to full-time first degrees 2006-7, from soc-econ groups 4,5,6 &amp; 7 %</b>	<b>2.Young entrants to full-time first degrees in 2006-7 from low participation neighbourhoods, discontinued studies in 2007-8 %</b>
Anglia Ruskin University	36.6	12.5
Aston University	36.2	8.6
Bath Spa University	29.5	7.1
The University of Bath	18.0	4.5
University of Bedfordshire(#1)	41.6	9.3
Birmingham City University(#2)	45.1	9.0
The University of Birmingham	22.1	5.9
Birmingham College of Food, Tourism and Creative Studies	48.8	9.8
Bishop Grosseteste University College Lincoln(#2)	43.0	7.0
The University of Bolton	45.8	19.4
The Arts Institute at Bournemouth	33.2	6.3
Bournemouth University	28.6	7.4
The University of Bradford	49.0	10.4
The University of Brighton	28.6	8.8
The University of Bristol	14.3	7.0
Brunel University	37.7	3.4
Buckinghamshire New University(#2)	36.0	6.6
The University of Cambridge	11.5	0.9
Canterbury Christ Church University	34.5	11.7
The University of Central Lancashire	37.7	10.1
University of Chester	36.4	8.8
The University of Chichester	35.3	6.6
The City University	39.7	19.6
Coventry University	39.4	10.5
The University College for the Creative Arts at Canterbury, Epsom, Farnham, Maidstone, Rochester	34.3	12.8
Cumbria Institute of the Arts	29.0	8.9
De Montfort University(#1)	41.9	9.3
University of Derby	38.0	15.5

<b>HEIs England*</b>	<b>1.Young entrants to full-time first degrees 2006-7, from soc-econ groups 4,5,6 &amp; 7 %</b>	<b>2.Young entrants to full-time first degrees in 2006-7 from low participation neighbourhoods, discontinued studies in 2007-8 %</b>
University of Durham	14.8	5.2
The University of East Anglia	23.8	7.7
The University of East London	45.6	12.6
Edge Hill University	39.9	14.3
The University of Essex	31.8	9.9
The University of Exeter	16.7	3.1
University College Falmouth	31.7	2.2
University of Gloucestershire	32.1	8.7
Goldsmiths College(#3)	30.2	8.5
The University of Greenwich	46.4	15.2
University of Hertfordshire	39.5	5.8
The University of Huddersfield	41.9	11.7
The University of Hull	30.8	9.2
Imperial College of Science, Technology and Medicine(#1)	18.3	3.9
The University of Keele	26.5	6.3
The University of Kent	24.6	5.9
King's College London(#3)	21.5	2.6
Kingston University	36.7	7.6
The University of Lancaster	21.9	6.3
Leeds Metropolitan University	31.9	11.4
The University of Leeds	19.7	7.7
Leeds Trinity and All Saints(#2)	32.5	8.5
The University of Leicester	26.0	5.3
The University of Lincoln	36.1	9.1
Liverpool Hope University	41.4	13.8
Liverpool John Moores University(#1)	40.4	11.1
The University of Liverpool	24.7	7.2
University of the Arts, London(#1)	26.6	4.3
London Metropolitan University	42.9	15.6
London South Bank University	44.2	4.7
London School of Economics and Political Science(#3)	18.2	8.3
Loughborough University	21.7	3.9
The Manchester Metropolitan University	35.7	11.8
The University of Manchester	21.3	5.3
Middlesex University	47.7	10.9
The University of Newcastle-upon-Tyne	20.1	5.6

	<b>1.Young entrants to full-time first degrees 2006-7, from soc-econ groups 4,5,6 &amp; 7 %</b>	<b>2.Young entrants to full-time first degrees in 2006-7 from low participation neighbourhoods, discontinued studies in 2007-8 %</b>
<b>HEIs England*</b>		
Newman College of Higher Education	45.2	11.7
The University of Northampton	35.5	13.4
The University of Northumbria at Newcastle	31.9	11.9
Norwich School of Art and Design	34.3	9.4
The University of Nottingham	17.4	4.3
The Nottingham Trent University	35.5	10.9
Oxford Brookes University	41.3	5.5
The University of Oxford	9.8	1.1
University College Plymouth St Mark and St John(#2)	44.0	13.0
The University of Plymouth	31.1	9.3
The University of Portsmouth	31.1	14.3
Queen Mary and Westfield College(#3)	32.6	9.7
The University of Reading	23.9	5.6
Roehampton University	35.7	13.9
Royal Holloway and Bedford New College(#3)	24.0	6.8
St Mary's University College, Twickenham(#2)	33.3	4.7
The University of Salford	40.2	12.7
Sheffield Hallam University	33.2	8.9
The University of Sheffield	21.3	4.4
Southampton Solent University	36.0	12.2
The University of Southampton	19.9	4.1
Staffordshire University	39.2	11.2
The University of Sunderland	48.0	15.4
The University of Surrey	22.3	4.2
The University of Sussex	22.3	3.1
The University of Teesside	47.1	9.3
Thames Valley University	38.9	10.0
University College London(#3)	18.9	1.5
The University of Warwick	17.6	5.9
University of the West of England, Bristol	28.9	7.2
The University of Westminster	44.4	14.7
The University of Winchester	31.8	15.3
The University of Wolverhampton	51.3	14.8
The University of Worcester	33.6	18.0
York St John University	29.0	9.5
The University of York	16.9	5.1

\*Excludes HEIs for which data unavailable for either column 1 or 2.

Source: Column 1: Table T1a 2006-7 - Participation of under-represented groups in higher education: Young full-time first degree entrants 2006/07 <http://www.hesa.ac.uk/index.php/content/view/1174/141/>

Column 2: Table T3b 2007-8 - Non-continuation following year of entry: Full-time first degree entrants 2006/07 [http://www.hesa.ac.uk/index.php?option=com\\_content&task=view&id=1438&Itemid=141](http://www.hesa.ac.uk/index.php?option=com_content&task=view&id=1438&Itemid=141)

## Prison education

Prison education is provided by UCU members working inside prison on education programmes for the inmates. Prison education has increasingly been recognised as being a key factor in reducing reoffending.

Large percentages of prisoners lack literacy and numeracy skills. One quarter of young offenders are reported to have reading skills below those of the average seven-year-old. 48% of prisoners have a reading level at or below Level 1, while an even greater proportion (65%) have a numeracy level at or below Level 1; 52% of male prisoners and 71% of female prisoners have no qualifications at all. <sup>36</sup>

Alongside problems of substance abuse and mental illness many prisoners have had disrupted lives including disrupted education.

There is evidence of a reduction in re-offending by prisoners who complete education courses, compared with those who either did not undertake, or did not complete, the course. <sup>37</sup> While we would not wish to over-simplify the connection between educational intervention and subsequent reduction in reoffending, there are indications that investment in the education of prisoners brings a considerable cost-benefit. It has been estimated that the financial returns from prison education results in a 25% reduction in the £12 billion total cost of offending by ex-prisoners in the first year. <sup>38</sup>

Despite improvements in the position of prison education over the last decade, when it became a shared responsibility between the Home Office and the Education Department, prison education remains neglected and under-resourced, given the challenges it faces. It goes through periodic competitive tendering which usually results in unnecessary disruption of education programmes. The tendering of prison education results in education contracts being held by providers who may be hundreds of miles away from the prisons for which they are responsible. Prison education often suffers from low status within prisons and within the wider work of the providers themselves.

### UCU's key funding policies

\* The ending of retendering of prison education contracts; prison education should be delivered by the public sector education providers in the locality of the prison.

\* The funding of prison education should be sufficient to deliver a



comprehensive curriculum and all necessary support as well as properly reward prison education staff; there should also be sufficient funding to keep pace with the ever rising numbers of prisoners.

\* If the new Government's stated aim of lowering the number of prisoners is achieved, prison education should not be subject to any reduction in overall spending. The money released from lower numbers of prisoners should be spent on improving the education and learning of those that remain in prisons.

### **Is the activity essential to meet Government priorities?**

Prison education is essential to meet Government priorities, as expressed by Kenneth Clarke, lord chancellor and secretary of state for justice, on 30 June 2010:

" ... this Government ... has committed to a full review of sentencing policy to ensure that it is effective in what it is supposed to be doing – deterring crime, protecting the public, punishing offenders and, the part where we've been failing most, cutting reoffending....We want a far more constructive approach. This means prisons that are places of punishment, but also of education, hard work and change ..."

Similarly, justice minister Crispin Blunt has said: "Time in prison must be more than the deprivation of liberty but an opportunity for offenders to gain skills so that they become productive members of society..... We recognise that arts activities can play a valuable role in helping offenders to address issues such as communication problems and low self-esteem and enabling them to engage in programmes that address their offending behaviour." <sup>39</sup>

There is a growing recognition that prison education and training can be one of the main elements in reducing reoffending, and the educational disadvantage and the low achievement levels of many offenders. OFTSED reports on prison education demonstrate the relatively low base line in terms of quality, although these reports do show both that there are examples of good practice and that the quality of prison education is slowly improving. There is evidence that successful achievement through prison education programmes can lead to a reduction in re-offending as it improves the skills of prisoners which can lead to improved prospects for employment on release. In the current economic downturn, supporting offenders into employment is even more of a challenge than it was even a few months ago. Being in sustainable employment is the single most important factor in reducing re-offending; it can reduce the risk by between a half and a third. 52% of male offenders and 71% of female offenders have no qualifications at all, while 48% of all

offenders have literacy skills below Level 1 and 65% of all offenders have numeracy at or below Level 1; half of all prisoners do not have the skills required for 90% of jobs. Successful prison education can redress this systematic disadvantage, and give many prisoners the skills they need outside of custody.<sup>40</sup>

### **Does the Government need to fund this activity?**

The criminal justice system, including prisons and prison education, is an essential state function. Its funding has and must continue to come from Government. There may be ways that additional resources could be added to those spent by Government, but the bulk of public expenditure must continue to come from Government.

### **Does the activity provide substantial economic value?**

In being one of the more effective means of reducing re-offending, prison education does provide substantial economic value. It can directly impact on reducing unemployment among ex-offenders, who have very high levels of unemployment. This will both increase tax revenues for Government and reduce the costs of benefits to ex-offenders and their families. There will be direct reductions in public expenditure on prisons if there are fewer prisoners. There may also be reductions in the costs of policing and in the justice system

### **Can the activity be targeted to those most in need?**

The prison population demonstrates higher percentages of disadvantage than does the general population, so most prison education is already targeted at those most in need. The prison population according to the National Offender Management Service on 25 April 2008 was 82,319. A total of 77,866 (94.6%) were male with the remaining 4,441 (5.4%) being female. People from Afro-Caribbean and mixed ethnic backgrounds are more likely to be in prison than their white counterparts. 20% of the prison population has some form of 'hidden disability' that 'will affect and undermine their performance in both education and work settings'.<sup>41</sup> Between 20% and 50% of men in prison have a specific learning disability.<sup>42</sup> 72% of male and 70% of female sentenced prisoners suffer from two or more mental health disorders.<sup>43</sup> We would argue that prison education is already targeted at those with greatest need in terms of both the general as well as the prison populations.

### **How can the activity be provided at lower cost?**

As with the rest of education, staff costs are a major proportion of the costs of providing these activities. The same is true for prison

education. With a rough average cost of around £1,500 per head, it is difficult to envisage how it could be provided at lower cost.

Prison education is subject to retendering and contracting. This has its own costs, and each retendering is followed by restructuring of prison education. If tendering and retendering were abandoned, this would not only provide much needed stability for prison education and the staff delivering it, but the costs of these processes would be removed so leaving more of the funding to go to teaching and learning.

"I am writing as a teacher within Further Education, working with Young Offenders who have significant and/or specific learning difficulties. I have great concern that the contracting organisations responsible for delivering education contracts within prisons will cut costs at the expense of these most vulnerable learners. Successful cost saving initiatives delivered by these institutions in response to your own spending review, will not reveal the true impact on the poorest and most vulnerable. Depriving offenders of quality, effective learning opportunities whilst in custody, will result in a much higher social and economic cost, as compared with the savings 'achieved' by FE institutions. The social and economic benefits of effective education interventions for offenders is very well documented, as is the effect of poor or missed education opportunities."

Catherine Martino

### **How can the activity be provided more effectively?**

We believe that prison education could be delivered more effectively. There are considerable long-standing difficulties around delivering prison education and around teaching and learning in prisons. These include the ever-increasing numbers in prison, which means that the unit of resources is stretched further and further. If prison numbers were reduced, and especially those on short sentences, then education and training provision could be more effective for remaining prisoners.

Part-time hourly-paid prison education staff make up a large proportion of prison education lecturers. Such staff are paid only for their actual teaching and marking. If they were salaried then this would provide more time for them to work on activities that would make prison teaching and learning more effective, such as materials and curriculum development, co-ordination with prison staff and

other prison learning activities, such as work programmes, offender behaviour and drug and alcohol reduction programmes. More effective assessment processes, especially for short-term prisoners, would also mean that teaching and learning was more effective because it addressed the particular problems that prisoners had. The movement of prisoners to different locations and the failure often of their education records to follow them also make for deficiencies in the effectiveness of prison education.

Although there have been some notable initiatives around the use of new technology in prison education, continuing difficulties and concerns about security make its more widespread use in prison problematic. New technology could secure considerable benefits for prison education and would greatly help in resolving on-going problems about educational resources in prisons.

Although there are examples of new and modern prisons and education facilities, much of the prison estate is still housed in Victorian buildings. Education work often is housed in the worst of this, and is often unsuitable for good high quality teaching and learning. The equipment used is often old and out of date and does not prepare prisoners for work on release.

Reference has also been made to tendering and re-contracting prison education. The contracts awarded for delivery of prison education usually are made to a few providers who then operate prison education services at some considerable distance from the location of the contractor. This can make communications to and from the provider to services long and difficult, and can make for ineffective management of these services.

"I work as a tutor at a London prison ... We have some valid and cost effective ideas for business enterprise and self employment courses but we are never consulted. We can see the wastage around us every day but we are powerless to remedy the situation. We urge you to give more credence to those who work in the field and have the practical experience and understanding of the problems facing ex-offenders. When university graduates are having difficulties finding jobs, what possible hope is there for most inmates? Unless we can come up with some innovative business ideas and collective enterprises with these people there will never be a successful 'Offenders Learning Journey' or any easy streamlined path into employment. It won't happen."

Jan Dayman

**Can the activity be provided by a non-state provider or by citizens, wholly, or in partnership?**

There are non-state providers involved in the provision of mainstream educational activities in prisons, and also in a number of indirect educational services. These include voluntary organisations. The best of this work is usually carried on in partnership with state providers, and we consider that this is best practice. We cannot conceive that prison education provision could be carried out by 'citizens' groups. There would be considerable problems with security.

**Can non-state providers be paid to carry out the activity according to the results they achieve?**

We do not think so. We understand there are examples of where non-state providers carrying out activities for which they are paid by result. The example of Social Impact Bonds in Peterborough Prison is the one that has been recently quoted by ministers. As with other payment by results systems, there are problems in how much of payments have to be made before the results of the activities are known and what proportion of payment is made up of payment by results. In paying by results in prison education work, there will be many variables that mean the outcomes wanted are not reached, but are not within the control of the provider to do anything about.

**Can local bodies, as opposed to central Government, provide the activity?**

Local bodies do make some provision for prison education activities. However given the nature and role of prisons and prison education, it is difficult to envisage how this could be done without reference to central Government policies and resources.

**Limit, as far as possible, the impact of reductions in spending on the poorest and most vulnerable in society, and on those regions heavily dependent on the public sector  
Protect, as far as possible, the spending that generates high economic returns**

These questions do not seem particularly appropriate in relation to prison education.

## Endnotes

- <sup>1</sup> Public spending on post-secondary non-tertiary education in 2008-9 was £8,827m (PESA 2009, table 5.2); cash GDP in 2008-9 was £1,434,127m [http://www.hm-treasury.gov.uk/data\\_gdp\\_fig.htm](http://www.hm-treasury.gov.uk/data_gdp_fig.htm) (accessed 3.9.10)
- <sup>2</sup> Speech 10 June 2010 at Oxford Brookes University
- <sup>3</sup> Using GDP data accessed at 7.9.10 from [http://www.hm-treasury.gov.uk/data\\_gdp\\_fig.htm](http://www.hm-treasury.gov.uk/data_gdp_fig.htm)
- <sup>4</sup> UCU/Compass (2010), In place of fees: time for a business education tax? [http://www.ucu.org.uk/media/pdf/2/3/inplaceoffees-betax\\_ucucompass\\_mar10.pdf](http://www.ucu.org.uk/media/pdf/2/3/inplaceoffees-betax_ucucompass_mar10.pdf)
- <sup>5</sup> Public spending on post-secondary non-tertiary education in 2008-9 was £8,827m (PESA 2009, table 5.2); cash GDP in 2008-9 was £1,434,127m [http://www.hm-treasury.gov.uk/data\\_gdp\\_fig.htm](http://www.hm-treasury.gov.uk/data_gdp_fig.htm) (accessed 3.9.10)
- <sup>6</sup> David Cameron, May 2010, in *Adults Learning*, volume 21, number 9.
- <sup>7</sup> OECD (2010), *Education at a Glance 2010*, table A5.6
- <sup>8</sup> OECD (2010), *Education at a Glance 2010*, table C3.2a
- <sup>9</sup> OECD (2010), *Education at a Glance 2010*, tables A8.1 and A8.3
- <sup>10</sup> OECD (2010), *Education at a Glance 2010*, tables A9.1, A9.2 and A9.3
- <sup>11</sup> <http://www.dcsf.gov.uk/rsgateway/DB/VOL/v000891/UKVolume2009.pdf> Education and Training Statistics for the UK: 2008, table 3.6
- <sup>12</sup> Public spending on post-secondary non-tertiary education in 2008-9 was £8,827m (PESA 2009, table 5.2); cash GDP in 2008-9 was £1,434,127m [http://www.hm-treasury.gov.uk/data\\_gdp\\_fig.htm](http://www.hm-treasury.gov.uk/data_gdp_fig.htm) (accessed 3.9.10)
- <sup>13</sup> *FE Focus*, 10.9.10, pp 4-5
- <sup>14</sup> Paper presented at the 17 June 2010 14-19 Teacher Associations meeting by the DfE 'Narrowing the Gaps Team: Young People's Targets and Infrastructure'.
- <sup>15</sup> OECD (2010), *Education at a Glance 2010*, table C3.2a
- <sup>16</sup> The Guardian, 20 October 2009
- <sup>17</sup> Why Should Any Teacher Vote Tory?, *Education Guardian*, 2 March 2010 <http://www.guardian.co.uk/education/2010/mar/02/michael-gove-readers-questionsofsted>
- <sup>18</sup> [http://www.cfbt.com/evidenceforeducation/pdf/7FMA\\_FINAL\\_v4\\_WEB.pdf](http://www.cfbt.com/evidenceforeducation/pdf/7FMA_FINAL_v4_WEB.pdf).
- <sup>19</sup> Association of Colleges (2008), The economic contribution of England's Further Education Colleges.
- <sup>20</sup> OECD (2010), *Education at a Glance 2010*, tables A8.1 and A8.3
- <sup>21</sup> OECD (2010), *Education at a Glance 2010*, tables A9.1, A9.2 and A9.3
- <sup>22</sup> Using GDP data accessed at 7.9.10 from [http://www.hm-treasury.gov.uk/data\\_gdp\\_fig.htm](http://www.hm-treasury.gov.uk/data_gdp_fig.htm)
- <sup>23</sup> UCU/Compass (2010), In place of fees: time for a business education tax? [http://www.ucu.org.uk/media/pdf/2/3/inplaceoffees-betax\\_ucucompass\\_mar10.pdf](http://www.ucu.org.uk/media/pdf/2/3/inplaceoffees-betax_ucucompass_mar10.pdf)
- <sup>24</sup> Speech 10 June 2010 at Oxford Brookes University
- <sup>25</sup> Speech, 15 July
- <sup>26</sup> OECD (2010), *Education at a Glance 2010*, table A3.2
- <sup>27</sup> OECD (2010), *Education at a Glance 2010*, table C3.2a
- <sup>28</sup> <http://www.bis.gov.uk/news/topstories/2010/May/BIS-savings>
- <sup>29</sup> 9 September 2010, speech to Universities UK Annual Conference
- <sup>30</sup> Source: HEFCE 2010-11 recurrent grants; full-time mean gross all HE employees, April 2009, ASHE table 16.7a; HESA staff and student data 2008-9; calculations: UCU
- <sup>31</sup> *Financial Times* 8.9.10, p 13, Britain cannot afford to save on science
- <sup>32</sup> <http://www.universitiesuk.ac.uk/Publications/Documents/EconomicImpact4Full.pdf>
- <sup>33</sup> OECD (2010), *Education at a Glance 2010*, tables A8.2 and A8.4
- <sup>34</sup> OECD (2010), *Education at a Glance 2010*, tables A9.1, A9.2 and A9.3
- <sup>35</sup> [http://www.ucu.org.uk/media/pdf/9/6/ucu\\_privatisingouruniversities\\_feb10.pdf](http://www.ucu.org.uk/media/pdf/9/6/ucu_privatisingouruniversities_feb10.pdf)
- <sup>36</sup> [www.literacytrust.org.uk/research/Literacy\\_changes\\_lives\\_prisoners.pdf](http://www.literacytrust.org.uk/research/Literacy_changes_lives_prisoners.pdf) p.4-5
- <sup>37</sup> John Bynner (2009), *Lifelong learning and crime: a life-course perspective*, IFLL Public Value Paper 4, NIACE, p.10-11
- <sup>38</sup> John Bynner (2009), *Lifelong learning and crime: a life-course perspective*, IFLL Public Value Paper 4, NIACE, p.9
- <sup>39</sup> 27 July 2010, to NACRO
- <sup>40</sup> *Skills for Life: Changing Lives* – DIUS March 2009; Prison Reform Trust
- <sup>41</sup> Rack, 2005
- <sup>42</sup> Disability Rights Commission 2005 memorandum to the Commons Select Committee on prison education
- <sup>43</sup> Bromley Briefings, 2006