

Global Themes in VET:  
Observations from  
TAFE Directors Australia delegation  
to England and Scotland 2009

2010

**Occasional Paper One 2010**  
Sixth in the series



Delegates' visit to Barnfield College



Dinner with Edinburgh College Executive Staff at Jewel and Esk College



Delegates' visit to Learning Skills Network



Scotland's newest college in Edinburgh, Telford College



Two degrees Fahrenheit in the morning; about to travel from Durham to Edinburgh



At Telford College

Welcome to the first Occasional Paper for 2010 from TAFE Directors Australia (TDA).

This Paper records the reflections of members of the TDA delegation who visited England and Scotland in November 2009.

The delegation, comprising seven TDA members from States and Territories across Australia, was led by the Deputy Chair of the TDA Board, Wayne Collyer, Managing Director Poytechnic West, Perth.

The aims of the delegation were to better understand the challenges currently facing UK Colleges, and to gain an appreciation of good practice in leading UK Colleges. The itinerary was negotiated with Martin Doel, CEO, UK Association of Colleges (AoC) and Robin Shreeve, CEO, Skills Australia and formerly Principal of a central London College of Further and Higher Education. The Colleges and organisations were selected as examples of institutions delivering entrepreneurial apprenticeship training, as secondary academies and as real skills champions for UK vocational

education and training. A highlight for delegates was their participation in the AoC's UK Conference in Birmingham. TDA is grateful for the support offered by the host UK institutes.

TDA recognises that missions such as these allow Australian TAFE institutes to benchmark against overseas colleges to develop sustainable and long term partnerships and to profile the Australian TAFE system as world class.

This Occasional Paper is published by TDA to ensure that the observations, insights and learning of the delegates can be shared by a wider audience.



BRUCE MACKENZIE

Chair  
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**Pam Caven**  
*Acting Chief Executive Officer*  
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In November 2009, the United Kingdom (UK) Further Education (FE) colleges hosted a TAFE Directors Australia (TDA) delegation to England and Scotland that provided opportunities to better understand the challenges currently facing UK Colleges, gain an appreciation of good practice in leading UK colleges, and meet leaders of various training agencies.

This Occasional Paper includes the reflections of members of the delegation and, with the permission of the National Centre for Vocational Education Research (NCVER), a paper presented in March 2009 by Robin Shreeve at the NCVER *Research on Toast seminar – Poaching ideas from abroad: lessons in VET from the UK and Europe*.

In the words of **Wayne Collyer**, who led the delegation, '...it is vital that they [the UK] think about the skills needed to drive growth and boost competitiveness'. Initiatives by the UK government designed to address this need include a plan to create a *Digital Britain*, and the launch in November 2009 of a skills white paper that sets out a new era for training. Wayne cautions that the Association of Colleges (AoC), with its broad range of services offered, 'has become overly bureaucratic'. He refers to another group, the 157 Furthering Education and Skills Group (the 157 Group) which was established in response to the findings in Sir Andrew Foster's report, *Realising the Potential*, and suggests that 'both agencies have a part to play in dispensing professional services to stakeholders'.

Other members of the delegation note the strategic and policy directions that were being addressed across the broad spectrum of further and higher education colleges visited.

**Ross Digby** identifies that 'unlike the Australian Training System, there is no nationally prescribed

system of training packages in England, rather FE colleges need to decide which of the approximately 18 000 qualifications awarded by 93 different organisations (not-for-profit) they are going to deliver to their students'. Decisions about the cost of qualifications, their suitability for learners, and recognition in the wider community, add to the complexity of the UK system. The lack of flexibility in many qualifications puts further pressure on colleges when deciding their strategic directions. An important point made by Ross is that there was considerable strength of leadership shown in the FE colleges visited. This was apparent in their strategic focus and understanding of the needs of their local communities.

Focusing on apprenticeships, **Darren Cocks** considers that the UK system has 'under-invested in apprenticeships training over the years' with the result that they are probably 10 to 12 years behind Australia's program to increase apprenticeships (traineeships). However, following the UK's Leitch review in 2006, there is a broader profile of apprenticeships and campaigns to increase awareness of the value to employers of engaging apprentices have been 'quite successful'. Funding and the role, generally, of FE colleges provided interesting comparisons with the Australian system. In Darren's view, and partly because of the global financial crisis and its impact on the UK economy, the 'UK government appears to be getting behind the skills agenda and committing funds to apprenticeships'.

In her paper, **Tabatha Griffin** addresses the 'blurring of lines between the higher education (HE) and vocational education and training (VET) sectors'. She notes that, in Australia, some TAFE institutes offer degrees and many universities are registered to provide VET courses, making the 'split'

between these institutions unclear. Seeing how the UK environment works provided her with the opportunity to reflect on Australia's response to the Bradley review (*Review of Australian Higher Education*), and to comment that 'VET could play a strong role in helping achieve the government's higher education targets, especially because of its social and regional reach'. She suggests that in Australia, 'pathways from VET to higher education need to be improved', and that 'there may be lessons to be learned from the UK'. Ultimately, though, she maintains that the 'strong vocational focus of the Australian VET system, which is not so obvious in the UK system, needs to be maintained'.

For **Maria Peters** '...the opportunity to examine the equivalent sector in another country...was an exciting prospect'. Sharing views and ideas, especially in a climate of government reform, confirmed for her that Australia's VET sector 'is leading edge' and contributes to our economy and 'the cohesion of Australian society'. She concludes with comments that 'What is important is that FE colleges in the UK, like TAFE institutes in Australia, play the same important role, have the same emphasis and the same commitment to their students, clients and communities'. This is notwithstanding the need to balance the demands of being public education and training providers in an economically challenging environment and being 'more sustainable and less reliant on government funding'.

The focus for **Bruce Prescott** was on the physical infrastructure of the colleges visited. The redevelopment of FE colleges following the UK government's *Building colleges for the future* initiative was based on the premise that colleges would raise private funding, to be supplemented by government funding of '50 to 80 per cent of the

total project cost'. Having received funding, some colleges had rebuilt 'entire campuses with buildings of generally excellent quality and design'. Other colleges were not so fortunate, were waiting to receive funding, had poor facilities and few resources to carry out necessary and extensive maintenance – the 'haves' and the 'have nots'. While appreciating the difficulties of the poorer colleges and admiring those that have had rebuilds, Bruce concludes that 'closer examination of future projects to ensure value management is an important consideration'.

The March 2009 seminar paper, 'Some ideas from England: a practitioner's perspective', presented by **Robin Shreeve** and reprinted here with the permission of the NCVER, provides an appropriate discussion point. In particular, Robin's views on course success rates and foundation degrees, and the complexity of the UK system, led him to suggest that Australia has strengths in 'flexible delivery and...in the pedagogy of vocational education and training'. As he says, 'We all have our strengths and weaknesses. We all have something we can borrow and indeed something we can lend. But we also need to remember that the greener grass in the next paddock might not be suitable for our breed'.

**Michael O'Loughlin** raises the important partnerships that exist in Australia between TAFE institutes and business, not-for-profit agencies, and community organisations. As CEO of a regional TAFE institute, Michael says he is 'acutely aware of the need to be, and to be seen to be, a key contributor to the economic and social development of our community'. This collaboration and involvement at regional and metropolitan levels was not readily apparent to him in the UK.

The visit to the UK provided members of the delegation with opportunities to reflect on the

Australian TAFE environment and to realise that, as Michael O'Loughlin puts it, his analysis may seem somewhat negative but his discussions with key people in the UK confirmed for him that 'Australia's state, territory and national governments do have a clear view of the key contribution that VET makes and in collaboration with our industry and community partners, we should make sure that they continue to do so'. His paper, 'Appreciating what you have' is a timely reminder to us all.



### Wayne Collyer

*Managing Director, Polytechnic West, Perth, WA*

Wayne was born in Brisbane and spent most of his early childhood in Cairns, North Queensland. He has held various positions within TAFE institutes in Queensland and Western Australia and in 1993, Wayne completed a Masters in Education Leadership.

Wayne has been Managing Director of Polytechnic West (formerly Swan TAFE) in Perth since 2004, having spent the previous 10 years in Central West TAFE in Geraldton. Under Wayne's direction, the institute has undergone immense changes.

A commitment to providing quality training has distinguished Polytechnic West as WA Large Training Provider of the Year 2006 and a finalist for National Large Training Provider of the Year 2006.

### Changing the training landscape in the UK

During the TDA delegation's visit to UK Further Education (FE) colleges, it was apparent that as the UK emerges from the global financial crisis and rebuilds the British economy, it is vital that they think about the skills needed to drive growth and boost competitiveness. The UK government has indicated it is time to identify how people are going to be equipped with the skills and expertise they need in the future.

An active government-led approach to equipping the UK to compete on the world's stage means they will need the skills that underwrite the industries of the future: skills for high-tech, low-carbon-driven growth; for the creative industries, and to create a 'Digital Britain' (DCMS & DBIS 2009). To achieve this, the government launched a skills white paper setting out a new era for training (DBIS November 2009).

A further and higher education participation 'super-target' has been set by government as part of the far reaching skills white paper that offers learning providers greater autonomy in return for their help in delivering a new era for training in the UK. Key to the new target is the government's aim of raising the number of people with high level vocational and technical skills, especially in advanced apprenticeships, and in creating a new 'technician class'. The blueprint states that while considerable progress has been made in improving the levels of basic technical skills and in raising higher education (HE) participation, the UK is not moving fast enough to develop transitional skills.

Throughout the white paper, the focus is on skills that matter for improving the prospects of individuals and the economy, with funding cuts for

lower priority courses. This market-driven approach will also be underpinned by individual skills accounts which will be available to everyone over 18 years of age from 2010.

During the visit, many comments were made of past promises to simplify the UK skills landscape by removing ineffectual 'quangos' (publicly funded skills bodies). Obviously, this is of significant concern to the leaders of the colleges who know that they have to be more responsive to business and industry, but continue to be over-burdened by inspection, audit and funding regulations.

### Governance through the AoC and 157 Group

Similar to TDA, in the UK the Association of Colleges (AoC) 'exists to represent and promote the interests of Colleges and provide members with professional support services. As such, [they] aim to be the authoritative voice of Colleges – based on credible analysis, research, advocacy and consultation with Colleges – and the first choice destination for guidance and advice for members' (AoC n.d., *About us*). In providing a brief to the TDA delegation, CEO Martin Doel and President Pat Bacon outlined a summary of the role of the AoC and gave a synopsis of the critical issues currently being faced by the further and higher education sectors. Since 1996, the AoC has developed to the point where colleges now have a voice for further and higher education delivered in colleges at a national and regional level.

Membership of the AoC 'includes general and tertiary further education Colleges, sixth form Colleges and specialist Colleges in England, Wales and Northern Ireland' (AoC n.d., *About us*).

One of the interesting governance processes in place for the AoC board is that it is chaired by an

elected governing council chair from one of the colleges. They believe this provides a degree of separation from the college network when lobbying at the highest levels of government and other key stakeholders.

Key services provided by the AoC include:

- 'Representing and promoting the interests of Colleges and providing members with professional support services
- Influencing...agencies to maximise funding for Colleges, their students and staff
- Securing a strong Parliamentary and media reputation for the sector
- Providing professional support services for member practitioners in HR, health and safety, IT, funding and finance, curriculum, quality, PR, estates, governance and public affairs
- Recognising and awarding the sector's achievements via Beacon and Gold Awards
- Advocating for Colleges at all levels on inspection, curriculum, examinations, best practice, and more
- Delivering key events in the education calendar and providing business solutions to Colleges and partners in consultancy, training, recruitment and conferencing
- Representing the views and interests of members to regional policy making, strategic and funding bodies and providing professional support services to regional members' (AoC n.d., *About us*).

In addition to the AoC, there exists a 157 Furthering Education and Skills Group (157 Group), which was established in March 2006 'in response to the recommendation of Sir Andrew Foster in his report *Realising the potential: a review of the future role*

of further education colleges. When advocating the need for such a group, he stated:

... a greater involvement of principals in national representation, in particular those from larger, successful colleges where management capacity and capability exists to release them for this work. There is a strong need for articulate FE College principals to be explaining the services they give to society and how colleges can make a significant contribution to the economy and to developing fulfilled citizens (Foster 2005, para. 157).

The 157 Group represents 26 large, highly successful and regionally influential FE colleges in England. Committed to excellence and achieving success for the sector, their members are key strategic leaders in their locality who take seriously the role of leading policy, improvement and reputation. As a national strategic and policy voice for large, mostly urban colleges in England, they are a major force for driving change for the benefit of, primarily, their members, and consequently, the sector as a whole.

The establishment of this group has obviously caused tension between this select group of 26 colleges and the 400-plus members of the AoC. Notwithstanding this, the 26 colleges in the 157 Group are also members of the AoC. However, with their networks and constructive approach, they are well placed to influence key decision makers including ministers, senior civil servants and parliamentarians across the political spectrum. Additionally, their impressive list of patrons, including eminent peers, has enhanced their ability to influence the shape of the current *Apprenticeships, Skills, Children and Learning Act 2009* (OPSI 2009).

Through their mission, the '157 Group college principals are committed to furthering the aims and

objectives of the Group which are to:

- develop and practice a leadership paradigm for FE colleges
- enhance the reputation of FE colleges
- play a leading role in shaping and delivering a quality improvement agenda for the further education system
- work towards, and once achieved, if appropriate, to administer, self-accrediting and self-regulating status for members
- develop projects or enterprises on behalf of the members' (157 Group n.d.).

It is my view that the AoC has become overly bureaucratic by the very nature of the broad range of services offered. Therefore, the need for the 157 Group to focus on the more contemporary issues is compelling. When considering the population serviced by these colleges and the dynamics of the sector, both agencies have a part to play in dispensing professional services to stakeholders.

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*The Learning Skills Network UK Head Office*



*The Learning Skills Network UK Head Office reception*



*The Learning Skills Network UK student area*



*Scotland's newest college in Edinburgh, Telford College*



*Scotland's newest college in Edinburgh, Telford College*



*Courtyard at Telford College*



*Hackney Community College student artwork*



*Telford College Hub*



### Ross Digby

*Associate Director, Centre for Hospitality, Cookery & Bakery, Holmesglen Institute of TAFE, VIC*

Ross has a professional background in hospitality in Australia and the United Kingdom. In 1996, he joined Holmesglen as a sessional trainer and was appointed Associate Director of the Centre for Hospitality, Cookery and Bakery in 2007. The TDA mission to the UK in November 2009 provided an opportunity for Ross to review and reflect on the role that the vocational training systems in Australia, England and Scotland have in meeting the needs of the workforce in their respective countries.

Ross holds a B.Bus (Catering & Hotel Management), VUT; a Grad.Dip. Education & Training, Melb; and an M.Ed, Melb.

This paper provides a brief overview of the strategic environment, policy direction and strategic responses to the environment in which the Further Education (FE) colleges in England and Scotland operate. Some of the strategic directions in this paper were provided by the FE colleges which generously hosted the TAFE Directors Australia (TDA) mission; other information has been drawn from conversations with senior staff at the Association of Colleges Conference and from reports on the English and Scottish FE systems and skills training reforms.

### The strategic environment

The global financial crisis has had a major impact on the United Kingdom (UK), with the unemployment rate at 7.9 per cent, with gross domestic product down 5.1 per cent on the corresponding period in 2008 (Office for National Statistics 2009). Coupled with the estimated £850 billion spent to bail out the UK banking system, the FE colleges have had a promised capital works program cut and face cuts in profile funding for the foreseeable future.

Unlike the Australian Training System, there is no nationally prescribed system of training packages in England, rather FE colleges need to decide which of the approximately 18 000 qualifications awarded by 93 different organisations (not-for-profit) they are going to deliver to their students. In deciding which qualification they are going to deliver, colleges need to consider the cost of the qualification, how well the qualification is recognised and its suitability for the learner group. In many cases, the make-up of these qualifications is very prescriptive and does not allow for flexibility to meet the needs of different learner groups. The regulation of these qualifications is undertaken by the Qualifications and Curriculum Authority. Within the Scottish system, all qualifications are accredited and awarded by the Scottish Qualifications Authority.

In the Scottish context, the planning and funding of training are undertaken by the Scottish Funding Council which plays a role in the implementation of the Smarter Scotland Strategy aimed at making Scotland a 'Wealthier and Fairer, Smarter, Healthier, Safer and Stronger and Greener' country (Scottish Government 2007). Whilst the members of the TDA delegation felt, generally, that the Scottish FE system was more collaborative and strategically focused than the English FE system, the Scottish FE system will face the same financial challenges as their English colleagues.

The statutory body, the Office for Standards in Education, Children's Services and Skills (Ofsted) is charged with ensuring that quality standards are met in FE colleges. It is far more influential and open in its findings than the Scottish FE system, through the publication of all reviews undertaken on colleges, and assigning grades to the achievement of standards by each college. In summary, the key measures of quality in England are:

- success rates (retention x achievement)
- inspection grades by Ofsted
- teacher observation grades
- student satisfaction.

Due to the publication of the Ofsted reports, FE colleges place a great deal of importance in their strategic outlook on the results from the Ofsted reviews and in cases where a college has not performed well, the strategic direction of the college emphasises the improvement of its Ofsted ranking.

At the government level in England, the Learning and Skills Council (LSC) has had responsibility until this year (2010) for the planning of all government funded education and training delivered to over 16 year olds. This planning authority is presently being

restructured into two organisations which should be operational by August 2010:

- Young People's Learning Agency (YPLA), with responsibility for funding education and training for 16–18 year olds. The planning for the delivery of this training will be undertaken by local authorities, in line with National priorities, regional skill requirements and local agreements.
- Adult Skills Funding Agency (SFA), with responsibility for providing learner responsive training, Train to Gain, National apprenticeship service and the Adult Advancement Agency. This funding will be primarily demand-led aimed at meeting the needs of employers.

These changes are primarily being driven by the policy reforms Westminster is making to the FE system as a result of the findings from the Leitch review of skills commissioned in 2004 by the British Government. This review was commissioned in response to concerns that the UK would not be in a position to compete in the global marketplace due to the low skills base and lack of education beyond the age of 16 relative to other OECD countries (HM Treasury 2004). The Leitch Report was released in December 2006 and provided a number of recommendations that would enable the UK to have the required workplace skills to compete in the global marketplace by 2020. In summary, the recommendations of the Leitch review are:

1. Using the OECD benchmark, the following objectives for the UK by 2020:
  - 95 per cent of adults to achieve the basic skills of functional literacy and numeracy
  - exceeding 90 per cent of adults qualified to at least Level 2

- shifting the balance of intermediate skills from Level 2 to Level 3 with 1.9 million additional Level 3 attainments over the period and boosting the number of Apprentices to 500,000 a year
  - exceeding 40 per cent of adults qualified to Level 4 and above.
2. A demand-led system:
- all publicly funded, adult vocational skills in England, apart from community learning, go through demand-led routes by 2010
  - strengthening the voice of employers through the creation of a single, employer-led Commission for Employment and Skills to deliver leadership and influence within a national framework of individual rights and responsibilities
  - a new, clearer remit for Sector Skills Councils, focused on:
    - > raising employer engagement, demand and investment
    - > lead role in vocational qualifications
    - > lead role in collating and communicating sectoral labour market data
    - > considering collective measures.
3. Employer engagement in skills:
- a major campaign to encourage all employers in the UK to make a skills pledge that every employee be enabled to gain basic skills and a first full Level 2 equivalent qualification
- employers [to] drive up attainment of intermediate and high skills, including in Apprenticeships, led by SSCs [Sector Skills Councils] and skills brokers. As with qualifications, SSCs should control the content of Apprenticeships and set attainment targets by sector. This should lead to a boosting in the number of Apprenticeships in the UK to 500,000 a year by 2020.
4. Embedding a culture of learning:
- a new offer to adults to help further embed a culture of learning across the country, ensuring everyone gets the help they need to get on in life: raising awareness and aspiration; making informed choices; increasing choice; and ensuring individuals can afford to learn.
  - all adult further education funding for individuals in England... be channelled through Learner Accounts by 2010.
  - a new system of financial support... [including the] greater use of Career Development Loans.
5. Integrating employment and skills:
- a new integrated employment and skills service to help people meet the challenges of the modern labour market:
    - > a new programme to help benefit claimants with basic skills problems
    - > a new universal adult careers service, providing labour-market focused careers advice for all adults
    - > a new integrated objective for employment and skills services

of sustainable employment and progression

- > a network of employer-led Employment and Skills Boards to give employers a central role in recommending improvements to local services, mirroring the national role of the Commission for Employment and Skills (HM Treasury 2006, pp. 3, 138–141).

### Representation of colleges

The peak body representing the interests of colleges in England, Wales and Northern Ireland is the Association of Colleges (AoC). In addition to promoting the interests of colleges, the AoC also provides a wide range of professional support services to colleges to assist in their management and associated issues. One of the key recommendations in the report *Realising the potential: a review of the future role of further education colleges* (Foster 2005), was that principals of larger FE colleges should take on a promotional role at the regional and national level, as larger FE colleges had the management capacity and capability for their principals to be involved in this type of work. As such, the 157 Group has been established. This is made up of 26 colleges throughout England whose annual turnover is in excess of £35 million and where the college has at least a grade 2 for leadership and management based on the last Ofsted assessment. Smaller colleges are also included if they are thought to exert regional influence (157 Group 2009). The 157 Group has committed to the following objectives:

- develop and practice [*sic*] a leadership paradigm for FE colleges

- enhance the reputation of FE colleges
- play a leading role in shaping and delivering a quality improvement agenda for the further education system
- work towards, and once achieved, if appropriate, to administer, self-accrediting and self-regulating status for members
- develop projects or enterprises on behalf of the members (157 Group n.d.).

In the Scottish FE system, there is also collaboration between colleges on a number of matters of common interest. This, in part, has been driven by the Scottish Funding Council which has identified institutional collaboration as a key outcome of their corporate plan for 2009–2012. To that end, the colleges in the Edinburgh and Lothian regions, under the umbrella of the Association of Scottish Colleges, have been working together since 2001 to enhance college provision across the region, with the following key purposes:

- To share and collaborate in Strategic Planning across the Edinburgh & Lothian Colleges
- To develop joint approaches & collaboration on Lothian wide sectors skills needs
- To develop pan Lothian approaches and collaboration to national initiatives. . .
- To develop pan Lothian approaches and collaboration on University access and articulation
- To further develop Lothian Colleges' staff development (Edinburgh's Telford College 2009, p. 26).

Within Edinburgh, the FE colleges have taken collaboration to a local council area level through the development of a steering group to explore how, through collaboration, they can better improve

the services they provide to their clients. They have identified the following issues for further consideration:

- What are the strengths and weakness of our current collective service provision from the point of our customers – students and employers?
- How effective are we at working with key partners in the region, for example, local authorities, universities, the health service, the chambers of commerce?
- Are there gaps in our provision or deficiencies which working collectively we can rectify?
- Are there better ways of organising our provision?
- Can we improve front-line delivery by sharing?
- Are there lessons that we can learn from elsewhere to help us? (Edinburgh's Telford College 2009, p. 27).

As an outsider to the Scottish FE system, one of the key areas that was noticeable was the strength of the leadership shown by the FE colleges we visited. Since 2003, the colleges have collaborated on the development of their leadership staff and as a result, the college managers we spoke to had a strong strategic focus, understood the needs of their local communities and provided their staff with certainty for what will be a tough time in the light of the global financial crisis.

The English FE system and, to a lesser extent, the Scottish FE system face a period of uncertainty mainly brought about by the global financial crisis and will require strong strategic leadership to steer their way through the next three to five years. With the implementation of a demand-led approach for the funding of skills development programs to

adults, strategic collaboration among colleges will be critical to their survival, particularly the smaller FE colleges, which whilst not part of the 157 Group, will be able to leverage the strategic work being undertaken by this organisation.

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### Darren Cocks

*General Manager, Australian Business Limited Apprenticeships Centre, NSW*

In his first job, as a trainee himself, Darren worked in Trades Recognition of Overseas and Australian Workers. After various roles promoting traineeships and apprenticeships, and in business consulting, Darren was appointed to his present position.

He was the founder of the Australian Apprenticeships Alliance linking apprenticeship services nationally, is on the Australian Government advisory committee for mid-career apprenticeships, and on the Financial Services Sector Advisory Committee for the Insurance & Financial Service Industry Training Advisory body.

Darren holds an Adv.Cert. in HR Management, a Cert.4 in Workplace Assessment & Training, a Grad.Dip. in Management, and is undertaking a Masters in Management.

The United Kingdom (UK) has a strong history in apprenticeships. Their system refers to what Australia knows as 'Australian Apprenticeships', incorporating Apprenticeships and Traineeships as Modern Apprenticeships in the broad. There are over 190 qualifications in 80 industries approved as apprenticeships in the UK. To put this in context, this is less than 40 per cent of the total qualifications available in Australia which, in the mid-1990s, started down a very similar path of increasing the number of modern apprenticeships available.

The UK has been hit hard by the global financial crisis and at the end of October 2009, unemployment had risen significantly to over 7.9 per cent (Office for National Statistics 2009). It appears as though the UK system has under-invested in apprenticeships training over the years due to the availability of labour imported from Europe. As a result, they are approximately 10 to 12 years behind Australia on the path to an apprenticeship increase of Australian proportions. The awareness of modern apprenticeships (traineeships) appears limited and a significant education campaign engaging Sir Alan Sugar (millionaire and host of UK's 'The Apprentice') has been quite successful albeit at a time when employers are employing fewer people. It is likely that this is because the pressures have not built as quickly as they have in Australia due to our skills shortages, the ageing population, and growth driven by the resources sector.

Recent reform following the Leitch review (HM Treasury 2006) has seen a broader profile of apprenticeships. Whilst there is funding available to training providers to train apprentices, particularly those in the 14–19 year old cohort, it also extends to those up to the age of 25 and subject to eligibility criteria, some funding extends for mature aged apprentices.

The National Apprenticeship Service (NAS) was set up approximately 12 months ago to promote apprenticeships to employers. Employers are not really aware of options available to them in non-traditional trades, and the oversupply of well educated unemployed people addresses industry needs in both the retail and hospitality sectors. Training is funded by the national government through TAFE and private providers, however, there are very few financial incentives for employers to employ apprentices and trainees and, unlike Australia, existing workers are not part of the apprenticeships scheme. Industrial relations arrangements are similar in both countries and youth apprenticeships wages do apply. Promotion is undertaken primarily by the NAS which has less than 15 business development representatives in London, servicing a population of approximately 7.5 million people. By way of comparison, Sydney would have approximately 100 business development staff supporting about half its population.

NAS has recently engaged ten Apprentice Training Agencies (ATA) which are a replica of Australia's Group Training Model, to commence promotion of flexible modern apprenticeships-employment pathways.

Until recently, funding has not been available to incentivise employers to train existing workers and, therefore, the Australian apprenticeship numbers are inflated relatively by approximately 25 per cent due to these types of apprenticeships. Instead, existing workers are funded directly for the training component. One could argue the UK system is relatively comparable, however, the financial incentives that go to employers in Australia are used more broadly to negotiate training delivery across their businesses. This includes negotiating training

for those that don't attract funding and, therefore, the Australian system has greater perceived flexibility as a result and increases the number of registered apprentices. By way of example, funding can be used for new employees who might have an arts degree and enter a business as an engineer or enter a retail business as a retail store manager and can then be registered as apprentices/trainees. The UK system appears to be going down the path of the Australian model to offer some forms of employer incentives known as 'golden hellos' (DCSF n.d.).

The nature of the FE college visits and comparisons was interesting. All colleges in England were constrained by the same legislative issues. However, the Scottish system seemed more flexible. Ironically, the UK government released the 'Skills for Growth' paper (DBIS 2009) during our visit and at a high level, it emulates the Scottish system. The UK model appears further advanced around trade school equivalent operations than in Australia, with a clear distinction around tertiary/university focused sixth form schools and Further Education (FE) colleges, that is, TAFE-run schools with a strong vocational element. This leverages the core infrastructure of TAFE and the corporate capacity to deal with wages, planning, management and other corporate services being used to improve high school outcomes, while the principles focus on education more and infrastructure less. This improves productivity. The particular example was in Barnfield College in Luton where significant improvements in educational outcomes were experienced when a school was shut down by government due to poor performance. The school was subsequently taken over by the college and results have improved by 400 per cent in two years.

Targets set by the government in the public sector will assist in increasing the numbers of apprentices.

Training providers are incentivised to promote apprenticeships because they get funding to deliver the training for apprentices and the funds are more favourable than for fulltime students. However, the government has capped numbers and this has caused some angst. The colleges also appear to engage with industry less than colleges in Australia as they focus more on inputs from the student end. This is evidenced by the percentage of total income received through sources other than government. Most of the colleges visited had income from government in excess of 70 per cent of their total income.

In late November 2009, the UK skills paper (DBIS 2009) outlined proposed increases in funding and identified how University Technical Colleges will issue both apprenticeship and higher level apprenticeship-level qualifications to be known as Technician level qualifications, to raise the prestige and profile of apprenticeships. It also talked of 'golden hello' incentives for employers to engage apprentices. These are incentives more akin to the Australian model of financial incentives to employers to encourage them to employ apprentices.

The UK government appears to be getting behind the skills agenda and committing funds to apprenticeships. Various providers raised the issue of funding uncertainty as a limiter on future investment in apprenticeships training. Some colleges had already been adversely affected by promises of funds that were subsequently withdrawn after significant investments had been made. Given that some colleges run independently of government and have their own boards, this will have an impact on future risk taking in this area, unless the government improves its performance. However, it was acknowledged that these have been unusual economic times.

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## Dr Tabatha Griffin

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Tabatha joined the National Centre for Vocational Education Research (NCVER) in 2006. As a member of the Research Management Branch, she manages research projects funded through the National VET Research and Evaluation program. Tabatha also conducts NCVER research and has a particular interest in the issues of equity in VET. Prior to joining NCVER, she worked at the Royal Australian College of Surgeons where she managed the National Breast Cancer Audit. Tabatha has a PhD in biological science from Flinders University, South Australia.

Since the release of the *Review of Australian Higher Education* (the Bradley review) (DEEWR 2008), there has been much discussion about the blurring of lines between the higher education (HE) and vocational education and training (VET) sectors. The split between VET and HE in Australia is not clear, with a number of TAFE institutes offering degrees and many universities registered to provide VET courses. And more broadly, it might be argued that the line between school and VET can also be unclear at times (VET in schools, etc.). What would further integration mean for the VET sector?

The recent TAFE Directors Australia (TDA) delegation to the United Kingdom (UK) provided an opportunity to look at how Further Education (FE) colleges in the UK sit in the tertiary education space (and also in the school arena) and what Australia might learn from it. This article describes the role that colleges play in the education sector and how students move between colleges and other providers.

## The broad role of UK FE colleges

The Higher Education Funding Council for England defines 'further education' as education for people over compulsory school age (currently 16 in England) which does not take place in a secondary school. It may be in a sixth-form college, an FE college or an HE institution. FE colleges provide a broad range of qualifications: A-levels (matriculation-equivalent credentials); vocational training (including work-based learning, apprenticeships); community and adult education; and higher education. A distinction is usually made between further education and higher education which is provided by universities. Robin Shreeve, CEO of Skills Australia, argues that the sectoral divide between the further and higher education sectors

in the UK remains pronounced (*Campus Review*, 20 October 2009). He bases this on the fact that while around 10 per cent of higher education is delivered by colleges, this is done under franchise arrangements, with degrees developed, validated and awarded by universities. However, one impression coming out of our visits to FE colleges in the UK was that the boundary between further education and higher education in the UK is, as in Australia, not clear cut. Despite the franchise arrangements, when higher education courses are delivered by colleges, this is what is obvious to outsiders looking in.

As described above, colleges in the UK also deliver A-levels, mostly done by students aiming for university entry. The Association of Colleges (AoC) reports that one-third of A-level students study at a college rather than at sixth-form schools. And so it might be argued that the boundary between school and further education in the UK is also blurry.

This cross-over between school, further education and higher education appears to have several implications. It seems to improve the process of articulation between further and higher education, something the Australian system has some issues with. However, the broad role of the further education sector can be confusing for those not familiar with it, potentially affecting how various stakeholders view it. These issues are discussed in more detail below.

### Articulation between further education and higher education

What emerged through the TDA mission is that pathways between further education and higher education seem to work well in the UK. This is due to a couple of things. Partly it is because of the students who are doing their A-levels in FE colleges

rather than at schools. Many of those students would be aiming to move on to university from the outset, therefore inflating the movement of students from FE colleges to university.

Another pathway from further education to higher education is via the foundation degree. Foundation degrees were introduced by the Department for Education and Skills (DfES) in 2000 with the aim of addressing skills shortages at the associate professional level. These qualifications sit at level 4 in the UK qualification framework and are equivalent to the first two years of a bachelor degree (which is at level 5). On completion, students have the option of topping up their foundation degree to an honours degree by completing the final year at university (most bachelor degrees in the UK are honours degrees). Foundation degrees normally link directly to at least one program leading to a full honours degree. In addition to providing a pathway from further education to higher education for those students who decide to pursue it, foundation degrees are also a stand-alone vocational qualification.

The Australian VET and higher education sectors might be able to learn something from the UK system in order to improve articulation. In Australia the government argues in *Transforming Australia's Higher Education System* (DEEWR 2009) that it should be easier for students to transition between VET and higher education. Articulation between VET and higher education has not been easy in the past, especially for students moving in the direction of VET to university (Curtis 2009). The capacity of the current Australian Qualifications Framework to support transfer is also limited due to the lack of equivalence between the qualifications issued in different sectors. In an effort to improve this, the government has commissioned the Australian

Qualifications Framework Council to review the qualifications framework with a view to improving the connectivity between higher education and VET. This work also aims to ensure that competency-based and merit-based systems talk to and value each other as this a major stumbling block in credit transfer.

Improving articulation and transfer, especially in the VET to higher education direction, may help achieve some of the higher education targets recently outlined by the Australian government in *Transforming Australia's Higher Education System* (DEEWR 2009). The government has set a target that by 2025, 40 per cent of 25–34 year olds will hold a bachelor level qualification or above. At the time the target was set, the percentage of 25–34 year olds with a bachelor level qualification or above was about 32 per cent, although recent data shows that it has risen to almost 35 per cent (ABS 2009). The other, perhaps more ambitious, target set by the government is that by 2020, 20 per cent of higher education enrolments at the undergraduate level is to be of people from a low socio-economic background. The government reports that the percentage of higher education students with a low socio-economic background has been about 15 per cent for the last 20 years or so. Can VET, which is acknowledged as a second-chance option for many people (Karmel & Woods 2008), provide the pathway to university and help achieve these targets? And to do so, would there be an appetite in Australia for a qualification that better links the VET and higher education sectors, such as the foundation degree?

As well as providing direct articulation between vocational training and higher education, foundation degrees have characteristics that may be attractive to both employers and students in Australia. In

the UK, foundation degrees are developed through the collaboration of the FE college, the awarding university and employer bodies. These qualifications integrate academic and work-based learning and intend to provide learners with the skills and knowledge relevant to their employment, satisfying the needs of both employees and employers. The Quality Assurance Agency for Higher Education describes the foundation degree as distinctive because of the integration of the following characteristics: employer involvement; accessibility; articulation and progression; flexibility; and partnership.

Like Australia, the UK is looking at what skills development needs to occur during economic recovery and the role that both further education and higher education will play. While the Australian delegation was in the UK, the Department for Business, Innovation and Skills (BIS) released *Skills for growth: a national strategy for economic growth and individual prosperity* (BIS 2009b). An interesting point in the skills strategy is an acknowledgment of a need for higher level craft and trade skills (advanced vocational education). Hence, the focus is broadening slightly from higher education to encompass higher level vocational training. There is also acknowledgment of further education as a pathway to higher education in the recently released higher education blueprint *Higher ambitions: the future of universities in a knowledge economy*. The blueprint states:

Widening access means building new stronger ladders of opportunity from apprenticeships to advanced apprenticeships and new technician qualifications into foundation degrees and other vocational higher education programmes. There should be more bridges between further and higher education (BIS 2009a, p. 4).

I am not arguing that the main role of VET is to be a feeder of students to higher education. Transfer of students can (and does) occur in both directions (Curtis 2009). The point here is that VET could play a strong role in helping achieve the government's higher education targets, especially because of its social and regional reach. However, to make the most of this potential, pathways from VET to higher education need to be improved.

### An identity crisis?

The broad role of the UK further education sector has many benefits, including the increased opportunity for students to move between the sectors (as discussed above). However, there may be a downside. In visiting some of the colleges in the UK, the TDA delegation had to wonder whether the sector was in the midst of a crisis – the sector seemed to lack a strong identity. With the colleges providing a mixture of school, vocational training and higher education, the sector may be confusing for those not familiar with colleges and how they work – and potentially, this includes employers and industry.

Alison Wolf, the Sir Roy Griffiths Professor of Public Sector Management at Kings College, London, told the TDA delegation that the further education sector has lost traction with industry and is not seen as tertiary education (i.e. post-secondary education), especially because of the focus on young people (16–18 years old). She also argues that it takes too long for new courses/qualifications to be developed, validated and implemented to give ballast to the claim that the sector is responsive to industry needs.

Thinking about Australia and the discussions around a single tertiary sector, there may be lessons to be learned from the UK. It is important that the Australian VET sector maintains its own identity.

This appears to be an issue in the UK which has resulted in ramifications such as a lack of industry and employer engagement. Karmel (2009) argues that any integration of the tertiary sector needs to build on the strengths and characteristics of the VET sector. The strong vocational focus of the Australian VET system, which is not so obvious in the UK system, needs to be maintained.

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### Maria Peters

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Recently appointed CEO of Chisholm Institute of TAFE, at the time of the delegation's visit to the UK, Maria was Deputy CEO and Executive Director Programs. Chisholm Institute is one of the largest TAFE institutes in Victoria and services the needs of the south east region of Melbourne. Maria is responsible for the educational leadership, planning and strategic direction of all six teaching Centres, the Berwick Technical Education Centre and the Institutes' two regional campuses.

Maria has held a range of management positions, has significant experience in further education, locally and internationally, and is actively involved in networks or organisations in VET-related and industry sectors.

At a time of considerable policy change in Australia within the VET sector, and a new tertiary sector more broadly, the opportunity to examine the equivalent sector in another country to compare policy direction, delivery constructs and achievement of student outcomes was an exciting prospect. To observe new ideas, to witness government reform in action and to evaluate the proposed solutions for VET in a similar setting provided a context for sharing issues and strategies for continuous improvement, assessing performance and developing sustainable partnerships. It also afforded the opportunity to provide, not with a degree of superiority but with some degree of confidence, validation that what is happening in the Australian VET sector is leading edge and will ensure the sustainability of the sector and its contribution to the economy and to the cohesion of Australian society.

Further Education (FE) in the United Kingdom (UK) is characterised as a major vehicle driving economic recovery. It is required to reinvent its profile to meet the needs of a wide range of learner cohorts and to define its new role within the wider educational agenda. FE has, arguably, achieved productive and positive outcomes for individuals in the UK, despite working within a complex, inflexible and bureaucratic funding system and ever-changing government policy. Government reforms about to be implemented in the UK reflect the debate and political agendas that have characterised, and are now very much part of, the VET environment in Australia. Another journey for FE is about to begin.

As in Australia, the VET market and its communities in the UK are complex and diverse. FE is required to offer the full breadth of options that exist within the national educational system for 16 year olds and above. A single college may offer some or all of the

following education and training choices:

- A levels – a core academic pathway option akin to our year twelve certificates
- National Vocational Qualifications – full- and part-time programs at certificate to diploma levels administered by a range of funding bodies and advised by sector skill councils on content
- Programs for NEETs (Not in Employment, Education or Training) which make up 10 per cent of the national 16–19 year old cohort
- Skills for Life initiatives (literacy, numeracy, ICT and employability skills)
- Apprenticeships combining study and work for 16–24 year olds
- Higher Education – a strong feature of which is foundation degrees offered by a franchise arrangement with universities or through direct funding
- Programs in partnership with schools to deliver vocational components comparable in structure to the VET initiative
- Train to Gain – an employer engagement strategy where the government totally funds training of existing workers to skill, up-skill or re-skill
- Commercial training for adults in work, seeking new employment or post retirement, as well as ‘leisure’ courses.

FE colleges in the UK are characterised by the same values and focus and many of the challenges of TAFE institutes in Australia. The observations in this paper have been drawn from visiting a range of predominantly urban FE colleges across the UK. Though reaching conclusions can be dangerous, it is hard to escape the view that FE colleges are

operating within a complex and changing policy environment, are expected to be the salvation of the UK economy and to operate effectively in a competitive market.

FE colleges are required to respond to funding priorities and be accountable within a complex bureaucratic architecture of ‘quangos’ (publicly funded skills bodies), each with their own reporting demands which seem to divert focus and energy. They operate in a competitive VET environment where they deliver 45 per cent of vocational training as opposed to 25 per cent delivered in the private sector, and 19 per cent through higher education providers. They are subject to an inspection framework that ensures accountability and is used to drive change.

Similar to public VET provision in Australia, FE colleges are required to take on the mantle of providing education and training for all individuals and to engage with industry. Funding focuses on a narrow skills agenda as youth policy drives funding and the emphasis on who has access to opportunities.

All FE colleges provide education and training to 16–19 year olds where they have nearly twice the number of students of this age as schools. At a national level, the UK has had a variety of policy focus and investment, yet the problems facing disadvantaged and disengaged youth remain. FE colleges are required to play a pivotal role in motivating young people to stay in education and training with speculation that colleges will take students from the age of 14. Unfortunately, there is little funding available to fund students whose full-time education continues after the age of 19.

Many FE colleges are concerned and face significant challenges in meeting policy accountability,

managing the needs of adults and being regionally responsive. Many FE colleges prefer not to tackle the issues related to students not in employment, education and training (NEETs). Many, such as Hackney Community College, do not have a choice. FE colleges also respond to the issues and demands of their locality by providing basic core skills and by developing greater practical and work orientated learning frameworks. There is not only a focus on alleviating disengagement but a striving to overcome 'worklessness'.

A key mandate of FE colleges is to lead the attainment of higher level skills to provide a skilled workforce. The UK government has set targets similar to those of the Council of Australian Governments (COAG) to achieve greater participation in higher education but has broadened this ambition to higher vocational and trade skills

FE colleges face an image and role clarity problem similar to the 'poor relation' perception that has plagued the sector in Australia; but it is even a greater issue in the UK. This is compounded by a lack of understanding of what further education can offer. FE colleges still need to engage industry in playing a more integral role in their charter, and convince the community, more broadly, of the benefits of a vocational education or pathway option. The value of a high level of investment, participation and partnerships in further education must become clear to industry and the community. Sound familiar?

Further education has been called 'the invisible sector' by some, needing a strong voice at a national level and a diversity of initiatives to make progress in the face of uncertain policy and difficult economic conditions. In visiting FE colleges, it is evident that they face significant complexity, layers of

bureaucracy and volatility of policy. This affects the sector and its identity and one senses the need to be constantly flexible and agile to respond to shifting policy and chaotic funding.

The Association of Colleges (AoC) and the FE colleges themselves believe that they are operating in a context where client expectation, in particular from industry, is not aligned with policy directions, delivery approaches and outcomes. Success rates across FE colleges have risen with completion at a national level of 81 per cent; however, the sector's reputation does not reflect this success. The crucial role of further education and its strategic importance is not fully appreciated and the impact on its immediate communities is undervalued. This poses problems given that funding is predominantly prioritised for youth, and limited resources are allocated to support community learning and a social rather than simply an economic impact.

The new policy emphasising apprenticeship growth is a key strategy. Though youth unemployment is high, with one million under 24 year olds out of work, policy concentration on a cohort rather than a broader workforce development approach is problematic.

Industry expectations of the sector are not strong and engagement needs to be enhanced to increase the levels of apprenticeship delivery and work-based qualification training. In some local areas, FE colleges are not recognised as strategic partners that are part of a dialogue to determine where the focus for development and training needs to be; whether it is 16–18 year olds or adult learners. Further education must fail neither youth nor adults.

Compared to the Australian VET system and despite government initiatives to stimulate growth in industry-based training, and an industry-

led approach offering work-focused solutions, responsive delivery options and outcomes are not dominant features of the FE colleges. Though there were indications that this is beginning to change, the step behind judgment is a reality.

It is easy to be judgmental from the limited impressions gathered and some degree of caution should be exercised. The Australian VET sector, however, is better aligned with market forces and the skills imperative. This is not a complete definition of Australian VET and TAFE institutes, nor is a totally demand-driven system the solution to the issues the sector faces. Industry responsiveness, however, is key in a time when paraprofessional and new and emerging job roles are destined to grow in number and significance.

The UK recognises that its further education sector needs to be more responsive and industry aligned if it is to succeed in meeting government targets for apprenticeship growth, and in playing a role in raising the tertiary qualification level of the population, in particular, the youth population.

Policy agendas for VET seem to follow similar pathways where funding and the return on investment are focused on individuals becoming gainfully employed, and where governments are using training to renew economic stability and growth. In the UK, as a result of the constraints and storm clouds that have gathered in the current recession, the FE sector is seen as having a pivotal role in offering individuals the education and skills needed for the UK to once again prosper.

Funding in the UK, like the current policy in Victoria, is demand-led with the government platform creating an FE system defined by the needs and demands of individuals and employers. The new HM Government policy, *Skills for Growth: a national*

*strategy for economic growth and individual prosperity* released in November 2009 by the Department for Business, Innovation and Skills, mirrors many of the policies and underpinning assumptions evident in the Victorian Skills Reform, *Securing jobs for your future*, (Department of Innovation, Industry and Regional Development 2008). *Securing jobs for your future*.

Implementation of *Skills for growth* will change how FE colleges currently approach their training provision and their partnerships with individuals and industry. The new government policy argues that a market-led approach to further education would ensure FE colleges and other providers meet employer needs and deliver better value for money. It is too early to comment on how effective these reforms might be or how long they will last given an imminent election; but if they can simplify the current system, individual learners will have greater choice.

FE colleges and private training institutions that demonstrate teaching excellence will be funded well and achieve greater autonomy. Success will be measured by employment outcomes and not just qualifications. The expectation is of greater flexibility and capacity to move resources to ensure local communities and employers are supported to meet the challenges. Initiatives will be implemented that enable choices to be made by learners that can drive improvements in the skills systems.

My impression is that FE colleges in the UK, like TAFE institutes in Australia, endeavour to meet the needs of all of their community. Though FE colleges link with adults and existing workers, they are not their priority; so the question needs to be asked: how can FE colleges provide the salvation expected?

FE colleges are not as strong as the Australian VET sector in not only ensuring the content of qualifications meets the needs of employers but also reviewing and being more innovative in the way training is delivered to meet employer and learner needs. The further education sector in the UK is pioneering the innovation and changes that now characterise the Australian VET sector, such as a group training model to stimulate apprenticeship growth. The use of technologically advanced e-learning options, work-based learning and assessment models, strong Recognition of Prior Learning (RPL) and blended learning options for students and clients are only beginning to be implemented.

Effective partnerships and relations with higher education are very strong and engagement with international education is high on the agenda for further education. VET provision in the UK is being asked to go beyond its local markets to the national and international marketplace to offer and successfully bid for work and services. There is a strong belief that for this to occur, the leadership in FE colleges must be strategic and well supported by excellence in provision and delivery.

What is important is that FE colleges in the UK, like TAFE institutes in Australia, play the same important role, have the same emphasis and the same commitment to their students, clients and communities. FE colleges continue to be a portal for learners. Like their Australian counterparts, UK FE colleges have to balance the demands of being public education and training providers within their local community with the imperative of becoming more sustainable and less reliant on government funding. They are currently working through the challenges the Australian VET sector has faced and, in most part, met. As with the VET sector in

Australia over the last decade, the further education sector needs to be successful within an increasingly competitive environment and balance the roles and the responsibilities that result from being a publicly funded education provider. This is only the beginning of their journey.

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## Bruce Prescott

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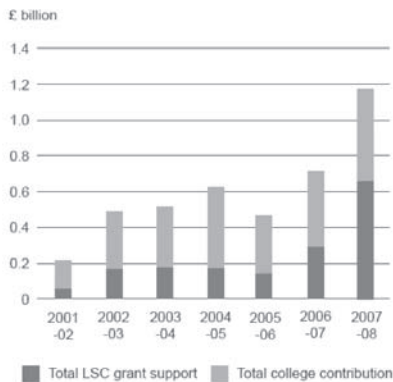
Bruce has been involved in the delivery of vocational education and training for over 30 years. After obtaining a degree in mechanical engineering, he worked in private industry for several years before undertaking a Diploma of Education. Since then, he has worked in TAFE — first as a Maths, Science and Engineering teacher and then as Course Coordinator of a Trade Orientation Program. Subsequently, he became Teaching Centre Manager of Applied Sciences, followed by appointment as Associate Director Design, Arts and Science and later, Business Services. Bruce is currently the Executive Director Operations at Holmesglen, responsible for capital works, facilities management, equipment purchases and security. In this role, he brings together his extensive experience in education and his engineering background.

## Introduction

For the last three years, my role has been managing capital works projects and facilities at Holmesglen Institute of TAFE. For this reason, my focus in this paper will be on the physical infrastructure that we visited in London, Sunderland, Edinburgh and Manchester. In all, we had tours of seven different Further Education (FE) colleges. These included Barnfield College at Luton, Hackney Community College (London), City of Sunderland College, Stevenson College Edinburgh, Jewel and Esk College (Edinburgh), Edinburgh's Telford College and Birmingham Metropolitan College.

## Background to redevelopment of UK FE colleges

Substantial investment in the redevelopment of FE colleges in the United Kingdom (UK) began in 2001 but accelerated after 2005 when the 'Building Colleges for the Future' initiative was launched by the UK government. Colleges were actively encouraged to be more ambitious about their capital programs and in many cases, complete rebuilds were undertaken. Many colleges spent substantial amounts of their own reserves on master planning and architectural work in preparing submissions for funding through the Learning and Skills Council (LSC). 'Building Colleges for the Future' was based on a model of private funding raised by colleges, enhancing the government's contribution which was fixed at 50 to 80 per cent of the total project cost.



Source: National Audit Office analysis of the Learning and Skills Council's project data

In March 2008, the LSC announced the investment of £2.3 billion in FE colleges over the next three years.

The Government has already demonstrated its commitment to this goal through unprecedented capital investment, and a record further £2.3 billion will be invested over the next three years. This will benefit generations of learners to come, meet the skills needs of employers and act as a catalyst for community regeneration.

Capital investment plays a crucial role in the Government's implementation of its priorities for young people and adults – as set out in the 14-19 reform programme and in *World Class Skills: Implementing the Leitch Review of Skills in England* (published by the Department for Innovation, Universities and Skills (DIUS) in July 2007). It helps us to ensure that the system is equipped to deliver greater specialisation, so that businesses have access to a wider

range of industry-specific skills development opportunities for their current and future employees (DIUS 2008, p. 1).

Then came the global financial crisis and this funding suddenly dried up.

1.1 *Building Colleges for the Future* was a vision that inspired us all. It tantalised us with the prospect of teaching & learning in buildings that demonstrated the cultural value of learning. Communities of practice could be developed in these buildings fostering advanced skills, deep knowledge and a commitment to learning that would have incredible social and cultural benefits. Our commitment to learning would be 'authentic' in the impressive new college buildings, inspiring the next generation of learners. It now feels a little different! (Dawe 2009, p. 2).

2.3 For Colleges, as things stand, the message on capital is brutally simple. In this report we have identified ways of reducing cost and there are approaches that will lead to better borrowing rates. However affordability of any project is key and as things stand *it would appear colleges are going to get very limited help over the next few years, if any* (emphasis added). It has been clear from early on affordability is the key issue and this has been fed back to the LSC and Departments. On the back of this the Association of Colleges (AoC) is undertaking further work into affordability alongside the work undertaken by the task group (Dawe 2009, p. 3).

In March 2009, following the announcement of the funding freeze, the Association of Colleges (AoC) carried out a survey of 79 colleges with approvals in

principle from the LSC, and a further 120 colleges with plans.

The 168 colleges that responded reported:

- £215 million in capital expenditure to date on stalled projects
- £187 million that will be written off in their accounts if the projects do not go ahead. This will put most colleges in deficit and wipe out their reserves.
- £269 million in extra maintenance costs over the next five years.

Given that this survey represents only two-thirds of total college projects, the final figures could be 50 per cent greater.

Colleges are now looking at alternative funding models, cheaper building solutions and less environmentally sustainable options. As the Capital Task Group Final Report is subtitled, 'It's all about affordability!' (Dawe 2009).

## Observations

Given this background, it was evident on our college visits that there were clearly the 'haves' and the 'have nots'. Those who had received funding had done major rebuilds of their entire campus with buildings of generally excellent quality and design. Other colleges which were waiting on funding, have poor facilities that they were expecting to demolish but are now overdue for extensive maintenance to prolong their life.

A few of the new campuses we visited were extravagant by Australian TAFE standards and had fantastic facilities. In particular, Edinburgh's Telford College in Scotland and the Matthew Boulton Campus of Birmingham Metropolitan College were outstanding examples of well designed teaching

and learning environments with great interior treatments that enhanced the overall atmosphere of the spaces.

Per capita, the UK has far more FE colleges than Australia – most are about one-third the size of large metropolitan institutes here. There appears to be enormous duplication of much the same facilities in close proximity to each other in each local community. For instance, every college we visited had hairdressing, beauty therapy and cookery. My view is that there could be substantial efficiencies achieved by rationalising the offerings at individual colleges and/or merging some of the smaller colleges. Although there are some examples of mergers and some discussion about them, it does not seem to be high on the agenda.

Another point of interest in the facilities we looked at was a much greater appreciation of the creative, visual and performing arts. In general, these had very extensive and well resourced amenities and the courses did not seem to suffer the same stigma as those in Victoria which have been regarded as low priority, low public benefit offerings.

## Conclusions

The colleges we visited may not have been entirely representative but we were able to appreciate some of the difficulties that the poorer ones faced as well as admire the best of those which had had rebuilds. It is sad to see a rebuilding program, so badly needed, stalled when only about half the colleges have been upgraded or refurbished. On the positive side, it will certainly lead to closer examination of future projects to ensure value management is an important consideration.

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*Multimedia Lab – Matthew Boulton Campus, Birmingham Metropolitan College*



*Matthew Boulton Campus, Birmingham Metropolitan College*



*Edinburgh's Telford College*



*Student Hub Edinburgh's Telford College*

## Some ideas from England: a practitioner's perspective



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### Introduction

It is a great pleasure for me to be back in Adelaide with you today at this National Centre for Vocational Education Research (NCVER) Research on Toast seminar. I think the vocational education and training (VET) sector in Australia is fortunate to have such a high-profile and well-respected information and research organisation as NCVER. This judgment was recently endorsed by the *Review of Australian higher education* (Bradley 2008, p. 190). Working in England, I still regularly use the NCVER website as I have yet to find an English resource as comprehensive and easy to use, although the website of the fairly recently established United Kingdom Commission for Employment and Skills has made a promising start ([www.ukces.org.uk](http://www.ukces.org.uk)).

Australia has a very good VET system as was recognised by the Organisation for Economic Co-operation and Development (OECD) in their recent thematic study (Hoeckel et al. 2008). One of the many strengths of the Australian system is the keenness of its leaders to learn from others. Many other systems seem far more insular. Having worked as the chief executive officer (CEO) of a VET institution in both England and Australia, and as a bureaucrat in Australia, I have a perspective on what each country's system might usefully borrow from one another. To get down to brass tacks, as they say in the North of England, what I think Australia might

usefully poach or borrow from England are:

- course success rates as a key performance measure at all levels of the VET sector
- foundation degrees.

## Australia and England

However, I must make the general point that although many Australian and English institutions share a common heritage dating from colonial times, my personal experience leads me to believe that the two countries' VET systems are now characterised as much by their differences as by their similarities. This growing divergence is hardly surprising, given the different economic and social circumstances found in the two countries. Economically, for example, there is no large resources sector with an operational dependency on VET-trained technicians in England. The English economy is far more driven by services such as finance and banking, as has become painfully obvious during the current economic crisis. In societal matters the current government in the United Kingdom (UK) is much exercised by social mobility, which has actually declined since the 1970s. An OECD study (D'Addio 2007, p. 33) on intergenerational earnings elasticity found that individuals in the UK were three times more likely to earn the same as their parents as their peers in Australia. Increasing social mobility is one of the key drivers for increased investment in all sectors of education in the UK, including VET.

## The VET sector in Australia and the skills and FE sectors in England

Although not unknown, the term 'VET sector' is not one commonly used in England. Rather, the generic terms used are either 'skills sector' or the 'further education (FE) sector'. These terms hint at

the hard distinctions that exist in England between 'work-based learning (WBL)' and 'further education (FE)'. There is a similarly hard distinction in England between FE and 'higher education (HE)' – there are no 'cross-over' qualifications like the Australian diploma and advanced diploma which can belong to either VET or HE. Work-based learning, which is characterised as the 'occupational pathway' in the policy statement *Raising expectations* (Department for Education and Skills 2007), covers areas such as apprenticeship. The core qualifications for this pathway that combines employment with part-time study are the competency-based National Vocational Qualifications (NVQs). These are normally assessed in the workplace. FE is associated with the vocational pathway – this involves full- or part-time study in a wide range of industry-related disciplines such as business studies, health and social care, construction, engineering, tourism and hospitality. Its qualifications are sometimes described as Vocational Related Qualifications (VRQs) to distinguish them from the competency-based NVQs. Historically, these institutionally delivered qualifications included the credentials of examining bodies such as City and Guilds and the Business and Technology Education Council (BTEC). In the future, the government hopes many of these qualifications will be the new flagship 'specialised' diplomas that it is introducing as a vocational alternative to the traditional, academic 'A Level' program. Both FE or vocational courses and WBL or occupational programs are funded by the Learning and Skills Council (LSC).

Given that WBL qualifications are competency based and FE or vocational qualifications are sometimes not, it can be argued that what is described as VET in Australia is closer to WBL in England than some of the more general vocational programs delivered by FE colleges. Many vocational qualifications, such as

the BTEC National Diploma in Business Studies, are taken by 16–19-year-old students primarily for use as a university entrance qualification rather than as direct preparation for a job.

In England, the delivery of publicly funded HE programs is not the unique preserve of the university sector. Nearly 10% of all HE is delivered by FE colleges, the broad equivalent to Australian TAFE institutes. FE colleges can receive funds direct from the Higher Education Funding Council for England (HEFCE) or can receive HE funds indirectly through franchise arrangements with universities.

English FE colleges historically have not awarded or accredited their own qualifications in the same way as Australian TAFE institutes. Normally English FE colleges deliver qualifications awarded by third parties. For their FE programs, this means the courses of examination bodies such as City and Guilds, Edexcel, or Oxford Cambridge and RSA Examinations (OCR). In HE, it means degrees which are awarded by a local university. However, this process is now changing. Under the new Qualifications and Credit Framework, FE colleges can seek to accredit their own qualifications by being granted 'awarding body status', and colleges such as City College Norwich have done this. In 2008, the government also announced that FE colleges can now apply to award their own foundation degrees. This announcement was a surprise and not one requested by the FE sector; as can be expected, the announcement was also highly unpopular with universities. As far as I am aware only one FE college has, to date, applied for this privilege.

However, probably the biggest difference between English FE colleges and Australian TAFE institutes is in their student profiles. Although both systems teach students such as apprentices and adults following part-time vocational and occupational

programs, English FE colleges have large numbers of full-time 16–19-year-old students taking courses with the prime objective of using them for university entrance. These courses can be 'vocational', such as a BTEC National Diploma in Business Studies, or the traditional 'academic' A-level programs in the sciences and humanities that are also taught in many English FE colleges. In England, many students choose to leave school at 16 and do their full-time sixth-form study at an FE college. In Australia, about 9% of university applications come from applicants with TAFE credentials according to the Universities Australia website (Universities Australia 2008). In England, over 40% of university applications come from students at FE colleges (Association of Colleges 2008, p. 1). Although English FE colleges do prepare people directly for employment, preparation for HE is a far more important activity than in Australia. In my view, Australia has a far 'harder', more vocationally focused system than England.

So, having dealt with the contextual differences, what about the learning differences?

### Course success rates

In Australian vocational education and training, the traditional emphasis has been on module rather than course completion rates. (I use the term 'module' here rather loosely to include concepts such [as] units and individual competencies; in other words, parts of a credential such as an Australian Qualifications Framework (AQF) certificate or diploma rather than the whole credential.) This emphasis has been justified on the basis that VET students and their employers are more interested in skills than credentials. An example of this position is given by NCVET's John Foyster, who wrote,

Unlike in the higher education sector where most students enrol in a course, with the

intention of gaining a qualification, in the VET sector many students intend to complete only some modules of the course. These students are primarily interested in acquiring specific skills (Foyster, Hon & Shah 2000, p. xi).

At the national and state levels, the principal student achievement measures reported in the annual reports of bodies such as the former Australian National Training Authority (ANTA) and the Productivity Commission are load pass rates. These are defined as:

‘Load pass rate’ is the ratio of hours attributed to students who gained competencies/passed assessment in an assessable module or unit of competency to all hours of students who were assessed and either passed, failed or withdrew. The calculation is based on the annual hours for each assessable module or unit of competency and includes competencies achieved/units passed through recognition of prior learning (RPL) (Steering Committee for Review of Government Service Provision 2009, p. 5.40).

Load pass rates only measure at the module, unit or competency level. Course completions are reported on, but as a raw statistic with no reference to the numbers who initially enrolled in the course.

In its *Report on government services 2009*, the Productivity Commission does list a measure for ‘students who commenced and complete a course’, but does not report any results because:

Reporting on the ‘number of students who commenced and completed’, expressed as a proportion of all course commencing enrolments in that year is dependent on the capacity to track individual students over more than one calendar year. Data were not available for the 2009 Report (Steering Committee for

Review of Government Service Provision 2009, p. 5.40).

When I raised the issue of course completions as a performance measure with some institute director colleagues in Australia, they repeated the view that many VET students and certainly employers of VET students both wanted skills more than credentials. To put it bluntly, I think this is a ‘cop out’ – the majority of students certainly enrol in a whole course, which might indicate that when they enrolled they had the acquisition of a credential as much in mind as the acquisition of skills.

In England, course completions are far more important than module completions. A senior Department for Innovation, Universities and Skills official told me she was against module completions as a key performance measure, on the basis that official statistics indicate that increases in earning for individuals were associated with whole course rather than module completions.

However, the highest level policy drivers for course completions in England are the public sector agency (PSA) targets set by the Treasury. For the VET sector, these targets are based on a comparison of the number of people in England with certain levels of qualifications compared with other OECD countries. They have recently been strengthened by the priorities outlined in the seminal Leitch report on skills (Leitch 2006). For example, Leitch sets a target of 90% of adults having successfully completed a level 2 qualification by 2020.

Thus, the prime course completion measure is the ‘success rate’. The Quality Improvement Agency (QIA) describes how success rates as well as retention and achievement rates are calculated:

Success rates are calculated by multiplying retention rates and achievement rates. For

instance if a cohort of learners has a retention of 80% and achievement of 80% ( $0.8 \times 0.8$ )  $\times 100$ , this would show a success rate for the period of time being measured of 64% (0.64).

Retention is a measure of the number of learners in a cohort or group completing a programme divided by number of starters. If we take for example a cohort of 75 learners who started a learning aim and 15 left by the end of the programme then this would produce retention of 80%:  $(60 \div 75) \times 100 = 80\%$ .

Similarly, achievement for a group of learners is measured by dividing the number of learners achieving a qualification by the number who complete the qualification. For instance if 5 learners of the 60 who complete failed, from the cohort in the example above, then from the 75 starters, 60 completed and 55 achieved producing 91.6% achievement ( $55 \div 60$ )  $\times 100 = 91.6\%$ . For this cohort the success rate would be 73% ( $0.8 \times 0.916$ )  $\times 100 = 73\%$  (Learning and Skills Improvement Service: Excellence Gateway 2009).

At City of Westminster College in the academic year 2007–08, we achieved an overall course success of 73%. This was 1% above our target and a 3% improvement on previous years. However, our performance did vary considerably by academic level and age group. We were highly successful with level 1 students aged 16–19 years where we achieved an overall success rate of 79%, but less successful at level 3 where the success rate was down to 71%. This situation was reversed for learners aged 19 years plus, where the level 1 success rate was 68% and the success rate at level 3 was 71%. All these figures are for 'long courses' lasting over 24 weeks. Our success rates for short and very short courses vary from 74% to 96%.

Our success rates are not exceptional; rather, they vary from the satisfactory to good. We are, however, classified as a 'widening participation college' as we serve an area of multiple social and economic disadvantages. Over 70% of our students come from ethnic minorities.

It is difficult to get any real idea of overall course success rates for VET institutions in Australia. We know module completion rates (load pass rates) were around 78.8% for all publicly funded VET students in 2007 (Steering Committee for Review of Government Service Provision 2009, p. 5.40). When I was in the NSW TAFE Commission, we once estimated that the course completion rates for some courses were around 50%. The only published statistics broadly similar to course success rates I could find on Australian VET were for a study of students commencing in 2002 who were aged over 25 and taking lower-level courses at certificate 1 and 11 (Stanwick 2006). For the limited sample in this publication, the tables indicate the proportion who had completed a qualification the following year were around 25% for those following certificate 2 level programs and around 20% for those on certificate 1 programs. It must be added that in many cases nearly 10% of the students were still enrolled the following year but had yet to complete and in other cases up to 5% were enrolled in other courses. Nevertheless, in all cases over 57% of the students were neither enrolled in the following year, nor had they achieved an award. By way of comparison, in 2003 for similar level English FE courses, success rates were around 50% to 55%. In 2008 the overall national success rate for all FE courses was over 75% and had increased by 18% since 2000 (Learning and Skills Council 2008b). The national FE success rate target for 2011 is 80%.

The real utility of course success rates is the focus they put at the institution, faculty and teaching sections on learners and learner achievement. At City of Westminster College our quality assurance measures include monitoring meetings twice a term with faculty and course teams where success, retention and achievement statistics are scrutinised. To facilitate this monitoring we have developed a portal on our intranet, known as MiData, where staff can readily access up-to-date attendance, retention and achievement data at the course, section faculty and college levels.

Retaining students is an integral part of achieving success rate targets. English colleges have developed a wide variety of strategies to help achieve this. They include 'welcome back' postcards and text messages to students at the beginning of each term. Some colleges provide incentives such as flash drives and iPods for returning students. College financed cash payments are not unknown whilst the National Educational Maintenance Allowance (EMA) has severe penalties for learners with poor attendance. Some colleges employ attendance support workers to contact and support students whose attendance is unsatisfactory and who are at risk of dropping out.

The only downside of this emphasis on retention is that colleges are sometimes not pleased if a student leaves a course to take a job. Even if a student leaves to take on employment, it usually has a negative impact on retention and hence success rates for courses, which then reflects on the college.

The same emphasis is put on helping students to achieve. The quality monitoring meetings conducted twice a term try to identify any students who may be in danger of missing an assessment or not completing a module, which may make their overall course completion difficult. Extra tuition is often provided for these learners.

City of Westminster College puts greater emphasis on student selection than occurred during my experience in Australia. At City of Westminster College we are interviewing students from October for the following year's September intake. Students who are in the wrong or inappropriate course are more likely to fail or drop out, and so selection criteria can be quite rigorous. All 16–19 year olds have an assessment and interview before being offered a place on a course.

Part of the motivation for these strategies to improve success rates is both the institution's concern for learners, and a desire for continuous improvement. Another motivating force is the external inspection and quality monitoring regimes in place in the UK. Despite the official rhetoric that these regimes are to promote continuous improvement, I can only describe them as punitive towards students.

### Inspection and quality assurance in England

I would not advocate replicating aspects of these in Australia.

All publicly funded skills and FE providers are subject to regular inspections by the Office for Standards in Education (Ofsted), and details of these inspections are contained in the publication *Handbook for inspecting colleges*. A full college inspection involves a team of inspectors visiting a college for up to a week, observing lessons, and scrutinising policies, action plans and data. Based on their observations and analysis, they assess the provider against a number of key questions on a scale ranging from 'outstanding' to 'inadequate'. The results are published in an inspection report publicly available on the Ofsted website. In many cases, college principals do not survive an 'inadequate' Ofsted grading.

Although inspectors make judgments on the basis of a wide variety of inputs, two of the most critical factors are the grades for lesson observations and college success rates. College success, achievement and retention rates are always published as annexes in Ofsted reports and provide comparisons made with national averages. I would conclude from my reading of Ofsted inspection reports that despite all the other evidence which inspectors collect, there is a fairly close correlation between Ofsted gradings and college success rate outcomes.

It is not only Ofsted that uses success rates to judge colleges. They are also used by the VET funding body to set minimum levels of performance (MLPs). The annual Learning and Skills Council publication *Identifying and managing underperformance* (Learning and Skills Council 2008a) sets out a series of sanctions which colleges can face if they do not reach certain standards. If more than 15% of your publicly funded FE provision, for example, fails to achieve a success rate of 60% (75% for A levels), you can receive a 'notice to improve' and, if you then fail to improve, lose funding. If more than 25% of your provision falls into this category and you fail to improve the LSC can, eventually, not only reduce funding, but also replace the college governors and the College Executive Team.

I must stress that I am not an advocate of such punitive sanctions. I do, however, strongly believe that course success rates used appropriately as a key performance measure do put an emphasis on the learner and learner achievement. They clearly assist in maximising the credentials gained by learners.

### Foundation degrees

The other initiative that I believe the Australian VET sector might usefully consider importing from England is the 'foundation degree'. The body

Foundation Degree Forward (Fdf) is charged with promoting foundation degrees in England and Northern Ireland and has an excellent website full of useful information about these credentials ([www.fdf.ac.uk/](http://www.fdf.ac.uk/)).

In comparison with Australian Qualifications Framework credentials, the foundation degree is broadly similar to a VET sector advanced diploma or an HE sector associate degree. In England, it is the equivalent to the first two years of a full-time, three-year bachelor degree. Most three-year bachelor degrees are awarded with honours included as part of the degree, partly because it's believed that students who go to university will have completed Year 13 at school rather than completing Year 12, as is usually the case in Australia. In the credit point system used by many English universities, the foundation degree is worth 240 credit points, while an honours bachelor degree needs 360 credit points. At the Open University a pass bachelor degree requires 300 credit points.

A core characteristic of all foundation degrees is that they must have a clear, guaranteed articulation pathway into a related full honours bachelor degree.

Foundation degrees are largely, but not exclusively, delivered by FE colleges; however, they are an HE not an FE Qualification. This means they are funded by the Higher Education Funding Council for England (HEFCE) and not by the VET sector funding body, the Learning and Skills Council (LSC). This funding can come through a direct contract between the FE College and HEFCE or indirectly through a 'franchise' arrangement with a university. They are 'externally inspected' or quality assured not by Ofsted, but by the HE sector Quality Assurance Agency (QAA).

When they started in around 2000, foundation degrees could only be awarded by a recognised

university, although FE colleges were allowed to actually offer the degrees. In 2007, however, the government announced that FE colleges could apply to the Privy Council (via the QAA) to award their own foundation degrees. This announcement came as a surprise to both the university and college sectors, and was treated with dismay by many universities who argued that it would 'undermine' a qualification that was yet to be fully established or recognised. Some universities also felt that degrees should only be developed by institutions such as theirs with staff who were 'research active', or demonstrably at the forefront of their disciplines.

Although it is an HE qualification, the English foundation degree has many of the core characteristics of a VET sector qualification in Australia. These include the need for:

- employer involvement in their design and delivery
- linkages with sector skills councils and, through them, with National Occupational Standards
- flexible delivery
- a format which attracts non-traditional students
- flexible entry requirements: they are one of the few degrees in England which will accept a work-based learning credential like an NVQ as an entry requirement
- degrees which are 'open' to the public or 'closed' to one employer (such as the supermarket Tesco's) (Quality Assurance Agency 2004).

Foundation degrees have become an attractive option for many students, employers and colleges. Enrolments have grown from 4 000 in 2001 to nearly 50 000 in 2005 and may reach nearly 100 000 by 2010 (Higher Education Funding Council for England 2008). They are particularly

popular with public sector employers, which is why foundation degrees in health and education have some of the largest enrolments, although the two biggest areas are in business and computing.

At City of Westminster College we offer a range of foundation degrees. In our Faculty of Culture, Media and Sport we run foundation degrees in both media technology and professional photography. Both are accredited by the University of Westminster, which offers a pathway into its bachelor degrees in media, art and design. Our Faculty of Technology offers a Foundation Degree in Building Services validated by Southbank University. However, this has not yet actually run, partly due to the popularity of the longer established HE qualification which we also offer: the Higher National Certificate (HNC) in Building Services. HNCs have been available for 50 years and became classified as HE qualifications in the 1990s. Although often validated by universities, they are not degrees and have no guaranteed articulation pathways; however, in some slightly more conservative professions such as construction, their familiarity makes them popular with employers.

Our School of Medical Technology has for many years run a Bachelor of Science in Clinical Physiology (Hons) validated by Middlesex University. The course is run exclusively to train medical scientists employed in National Health Service (NHS) or public hospitals. We have recently converted this course to include a foundation degree pathway. This is partly in response to a recent government policy decision not to publicly finance students who want to do another 'first' degree, whereas foundation degrees are exempt from this Equivalent Level Qualification (ELQ) funding policy. As the NHS often recruits people with a first degree in subjects such as sports science to train as medical scientists, our being able

to offer the NHS a foundation degree pathway will save on course fees. This exemption in general is a further encouragement for foundation degrees to be used in the same way as graduate certificates and diplomas in Australia: as a conversion or 'career switching' qualification for existing graduates. Certainly the Foundation Degree in Professional Photography offered by my college recruits many graduates with degrees in other art and design disciplines.

Foundation degrees have proved popular with students because of their flexibility, their linkages to employers and the fact that they are offered by the local FE college. But an integral part of their attractiveness is the degree label and the guaranteed progression route.

If Australian TAFE institutes were to copy them, I suppose most would prefer to offer their own degrees rather than teach those of another institution. Although the Bradley Review might recommend a more integrated tertiary sector, sectoral dignity and sectoral jealousies have a long history. Teaching someone else's degree might be irritating but it would save on the interminable negotiations currently involved with credit transfer arrangements between TAFE and universities. Surely it should be possible to design a VET sector foundation degree with articulation to a university course as a core component?

Would Australian foundation degrees be VET or HE sector qualifications? If they followed the English model, they would be industry led and linked to industry skills councils as well as to National Occupational Standards. But because they are a degree, it is difficult to avoid the HE association. Potentially, they are a flagship qualification for a more integrated tertiary sector.

## Concluding remarks

In course success rates and foundation degrees, I have provided two examples of what the Australian VET sector might learn or copy from England. I could also have outlined what England could have learnt from Australia. Some of this would not be surprising; for example, Australia's strength in flexible delivery and its interest in the pedagogy of vocational education and training. The OECD pointed out that Australia had a respected VET system with a well-engineered qualification structure which was very well engaged with employers and industry. In these respects England could learn a lot from Australia. The OECD raised the issue of complexity in the architecture of the VET sector in Australia as a result of the shared responsibilities of the states and Commonwealth. However, everything is relative. The English commentator Steve Besley (2008) recently identified that the English VET sector has four planning and funding bodies; four regulatory and inspection agencies; nine bodies representing or supporting providers; ten support agencies; 12 strategic bodies; and 16 separate support mechanisms. It is thus not surprising that the UK Commission for Employment and Skills recently launched a 'simplification' strategy. We all have our strengths and weaknesses. We all have something we can borrow and indeed something we can lend. But we also need to remember that the greener grass in the next paddock might not be suitable for our breed.

Thank you.

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## MICHAEL O'LOUGHLIN

*Chief Executive Officer  
Wodonga Institute of TAFE, VIC*

Michael was appointed CEO of Wodonga TAFE in November 2008. He is an experienced senior manager and educator from Western Australia where he built an impressive reputation in both the public and private sectors.

Previously, Michael held senior positions with both Challenger TAFE and Pilbara TAFE as well as important community relations roles with Rio Tinto Iron Ore. He also filled a number of senior roles with the Western Australian Department of Training and Employment.

Backed by a strong educational philosophy, Michael brings a commercial focus (both domestic and international) to his leadership of Wodonga TAFE.

Robin Shreeve, having recently taken up the position of Chief Executive of Skills Australia, stated with some authority in his article in *Campus Review* on 20 October 2009 what our group had been thinking: 'the United Kingdom may be able to learn more from Australia than we can from it when it comes to VET'. Robin's authority for this comment came from his experiences of the United Kingdom (UK) system when he was Principal and Chief Executive of the City of Westminster College, London, one of the colleges that the TDA delegation visited.

It is not until we compare our TAFE system with those of other countries that we come to fully appreciate how the innovations in VET that have characterised the last 15 years, have placed the Australian VET system at the forefront of systems worldwide. At the risk of self-praise, and in my view, Australians tend to have a 'can-do' attitude and an appetite for innovation that while it may have been painful in many respects, has delivered real benefits.

The key themes that came through to me during the visit, which I will explore in more detail below, are the positioning of VET in the broader education and training sector, industry ownership and involvement in VET, and the role of VET in the economic and social development of local communities.

## Positioning VET in the broader education and training sector

Professor Alison Fox, a keynote speaker at the Association of Colleges (AoC) annual conference which our delegation attended, did not mince words when she stated: 'the whole of the further education sector has become completely invisible'. She saw that the strong focus of workforce development and participation, life-long learning, equity, social mobility and industry-relevant training that underpins the Australian system had largely

disappeared from the radar screens of key decision-makers in the UK. The focus had clearly been on general education for the 14–18 year old group with the key deliverable being young people having a foundation qualification. While some attempts had been made to address the skills needs of existing workers through the national strategy, this was a low priority and funding was being moved back into the 14–18 year old group.

For most UK Further Education (FE) colleges, the bulk of their funding base was tied to the 14–18 year old group which meant that most were now focused on this age cohort. The AoC's key policy position is to increase efforts to attract 14–16 year olds into the FE system. While this may provide FE colleges with greater surety in funding, I believe it is positioning the UK FE system into closer alignment with schools that have a major focus on general pre-vocational training.

TAFE takes great pride in its ability to meet the skills development of a broad range of people, including adults who are returning to learning, second-chance learners, career enhancers, career changers. The way training is delivered and the environment in which it takes place in TAFE institutes ensures that adults feel completely at ease undertaking further training. I asked some of our hosts how they saw the presence of large numbers of 14 year olds on campus impacting on the adult learning environments. The increased duty of care that the colleges needed to provide for 14–16 year olds must create issues. I mused about the reactions of some of my institute's adult learners, for example, nurses or middle managers undertaking skills enhancement courses, to 14 year old boys kicking footballs around the lawn.

In my view, TAFE institutes have positioned themselves well in the employment, life-long

learning and workforce development spaces. We are valued by industry and individuals because the links between training and vocational outcomes are very clear. We need to ensure that this focus is not diminished.

### Industry ownership and involvement in VET

The reported low visibility of further education in the UK may also have something to do with the level of industry ownership and involvement. In all of the colleges we visited, I saw little evidence of real industry engagement. Senior UK college staff were quite surprised by the fact that many Australian TAFE institutes had staff based full-time in industry organisations and in enterprises working in partnership with those organisations in driving workforce development.

The close relationship between TAFE and industry has been a key contributor to the development of the VET system in Australia. Employer and employee industry organisations have played a key advocacy role to state and federal governments in highlighting the skills and training agendas and the role that TAFE can play. The on-the-ground relationships between enterprises and TAFE institutes have proved mutually beneficial.

The reasons for this lack of priority for developing a skilled workforce in the UK are not clear. One comment from a senior industry representative, backed up by a comment from a college CEO, was that 'if the UK needs highly skilled workers, it just imports them from the European Union.'

Perhaps in Australia, we undervalue the advocacy role that industry plays in keeping governments mindful of the importance that a skilled workforce has in maintaining and improving Australian

industry competitiveness. This industry support is, in my view, a key reason that VET has continued to attract government funding and support. We need to build on the existing strong industry focus.

### The role of VET in economic and social development of local communities

I am sure every TAFE institute in Australia can cite many examples of its partnerships with enterprises, not-for-profit agencies, community organisations and the like, where those relationships are much more than simply delivery training and the outcomes much more than qualifications. This is why there is a high level of industry and community ownership and involvement.

As the CEO of a regional TAFE institute, I am acutely aware of the need to be, and to be seen to be, a key contributor to the economic and social development of our community. While in real terms it may not be proportionally any greater than the contribution metropolitan institutes make to their communities, it is often more visible and more necessary for us to grow in competitive environments.

It was striking to me that all but two of the staff that I came across in the hotel in which we stayed in London were from elsewhere in the European Union (EU). The people I met were quite open in saying that these staff had to be recruited from the EU as there were no locals available. One large employer told me that at any one time his company has 100 vacancies in the hospitality industry. This contrasted with the visit to an FE college only a few miles away that was in an area in which we were told that 47 per cent of the residents were on some form of government benefits. We talked to a number of students undertaking a hospitality course who gave every impression that they would be delighted to get a job in the hotel in which we were staying

or with the large employer I was speaking to. They were quite concerned that despite graduating from their program, finding employment would be difficult.

Perhaps I am naive but it seemed to me that someone needed to get these people in the same room and discuss a strategy to provide a pool of skilled people that would meet the needs of the employers and provide targeted opportunities to the local students. In fact, I put this proposition to the employer and it was agreed instantly. Unfortunately, when it was put to the FE college principal, it was greeted with comments about how this was not really their business – the college's task was to give the students qualifications, not to get them jobs.

This was not an isolated example. While I tried to identify examples of engagements with local enterprises and communities, they were hard to find. It seemed to me that the focus on 14–18 year olds as discussed above had somehow diminished the importance of this objective.

### Conclusions

I am conscious that my analysis above seems somewhat negative but in all my discussions with key people in the UK, I certainly formed the view that they, too, were not enamoured with the current state of the FE system in the UK. There does not seem to be a strong and coherent government policy in regard to further education nor an understanding of how that sector can contribute to the economic and social development agenda in the UK.

In my view, Australia's state, territory and national governments do have a clear view of the key contribution that VET makes and in collaboration with our industry and community partners, we should make sure that they continue to do so.



Matthew Boulton College in Birmingham



Delegates' visit to Pearson/Edexcel Headquarters in London on Thames



Celebrating the success of Barnfield College in the UK Beacon Awards prior to Conference Gala Dinner



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