



Photo: Sue Parkins

Making sense of difficult times

Ministers are in a hurry to press ahead with reforms to the public sector, but what will the impact be on adult learning, asks
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The coalition government is approaching its first anniversary and it seems an appropriate moment to take stock of what has happened during that time and to assess the considerable changes that lie ahead.

The most obvious feature to note is just how much of a hurry ministers are in. Partly this is a conscious choice, not driven by a need to satisfy international bond markets and reduce the deficit at all. Ministers such as Michael Gove have acknowledged the lessons learned from what they perceive as Tony Blair's first-term over-cautiousness in implementing public sector reform.

In the English post-school arena, quite apart from the spending review settlement (which was remarkably positive for apprenticeships, good for Adult Safeguarded Learning, tough for the rest of the further education and skills sector and eye-wateringly tight for higher education) the pace of change has been relentless.

In higher education, the Browne Review led, with almost indecent haste, to parliamentary votes to raise tuition fees and the decision to withdraw teaching funding from many areas of the curriculum. The consequences of this decision are now being played out as individual universities work out their fee policies while trying to judge how their decisions will affect demand and what changes in their curriculum may be required. The details of a broader vision are expected in a forthcoming White Paper.

In English further education, there was a short consultation followed by a new strategy (*Skills for Sustainable Growth*) which proposes from 2013-14 to introduce loans, on the same basis as HE, for study towards approved qualifications at Level 3 and above for students aged 24 and over. The number of unanswered questions here are many. These concern maximum and minimum qualification sizes covered and how to handle part-time study (an article by Claire Callender, in the *Guardian* of March 29, illustrates the technical difficulties involved in doing this in HE – it could be much more complex in FE). In addition, nobody seems to have thought through how these changes will impact on access to HE courses and FE teacher training, where demand may drop like a stone if learners have to take out loans.

Equally worrying in further education is the effect which a new policy of 'skills conditionality' and changes to automatic fee remission will have on demand from adult learners – both those who may be unconvinced of the benefits of learning forced to attend and those on low incomes unable to attend. The second of these concerns is most visibly expressed in the arena of ESOL.

All of this makes for a complex and volatile background for managers of institutions and services faced with an additional different set of challenges. In higher education, the

problems can be summarised as balancing the books to ensure that fee income will cover loss of teaching grants. This will play out in different ways in different sorts of university – and the relationship may get tense between universities and 'mixed economy' further education colleges experienced in delivering higher education at a lower cost.

In further education colleges, where demand for places may prove much more price elastic, institutions may opt for the certainties of providing for fully-funded students under the age of 19 (even though that age cohort declines for this decade and the effect of the end of the Education Maintenance Allowance has yet to be seen) rather than the more risky market of adult students. A 25 per cent cut in real-terms public funding over the next four years will be no easy task to manage.

For local authority services and other organisations accessing Skills Funding Agency money the challenges are different. While the Adult Safeguarded Budget declines only by the level of inflation, the price of the ringfenced budget is increased pressure and scrutiny from both the Treasury and Downing Street to use the money to deliver the aspirations of the Big Society and to address the needs of disadvantaged learners. A review is underway – and a shake-up of provision is certainly on the cards.

Elsewhere, the government's prioritisation of apprenticeships offers a rare prospect of growth – but many third sector and private providers are running up against the barrier of minimum contract levels if they wish to work directly with the Skills Funding Agency (something that is hitting a number of local authorities too). If the level continues to rise, the business models of these organisations may be unsustainable as subcontractors to larger providers – even if they diversify as 'subbies' to the big prime contractors running the DWP-funded Work Programme.

Finally, the great unknown in the government's apprenticeship equation is the volume of places that businesses and public service employers will provide.

In the face of all this change and uncertainty, the words of SFA chief Geoff Russell to the recent LSIS annual conference look like an imperative: '...your strategy for the next four years should include working more closely with your neighbours – because collaborating with other colleges and other educational institutions can reduce costs, improve revenues and enhance quality for your learners as well as theirs.'

And, just maybe, we won't forget what all of this means for adults seeking to transform their lives through learning either – especially those who can benefit most and who have received least.

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