

Single Voice for Self Regulation (for Further Education)

RESPONSE TO THE CONSULTATION: 'IMPROVEMENT IN THE FURTHER EDUCATION SECTOR – A CONSULTATIVE PROSPECTUS FOR A NEW SECTOR-OWNED ORGANISATION'

SUBMITTED BY:
THE SINGLE VOICE FOR SELF REGULATION (FOR FURTHER EDUCATION)
ON 25 JANUARY 2008

INTRODUCTION

I write on behalf of the Single Voice for Self Regulation (for Further Education), 'the Single Voice', in response to the Department for Innovation, Universities and Skills consultation on 'Improvement in the Further Education Sector: a consultative prospectus for a new sector – owned organisation'.

This response was approved and unanimously endorsed by 'the Single Voice' at the meeting on Monday, 21 January 2008.

The Single Voice for Self Regulation (for Further Education) is a membership organisation which comprises the representative bodies of the further education sector in England, and its members include:

- Association of Colleges (AoC)
- Association of Learning Providers (ALP)
- The National Network of Local Adult Learning Providers (HOLEX)
- Land Based Colleges Aspiring to Excellence (Landex)
- Mixed Economy Group (MEG)
- The Association of National Specialist Colleges (NATSPEC)
- National Institute of Adult Continuing Education (NIACE)
- Sixth Form Colleges Forum (SFCF)
- The 157 Group

The membership represents the interests of providers from across the FE Sector on regulatory matters.

SUMMARY OF KEY POINTS ON THE CONSULTATION FOR IMPROVEMENT IN THE FE SECTOR

The decision to trust the sector in providing strategic and operational leadership of the improvement function has been clearly demonstrated by the proposals outlined in the consultation paper. This trust in the sector is warmly welcomed by the members of 'the Single Voice'. The consultation paper is considered sound and makes good sense except in the position it holds in relation to 'the Single Voice' and self regulation. Much progress has been made by the members of 'the Single Voice' to establish the new organisation. 'The Single Voice' is in a strong position to pursue its purpose of leading self regulation on behalf of the providers across the FE Sector. The consultation includes statements which refer to the new improvement agency leading the drive to self regulation, and this is clearly considered by 'the Single Voice' to

be its role. It therefore wishes to make its position clear that the new sector owned improvement organisation must be led by the sector through 'the Single Voice' organisation.

The sector has been offered ownership through voting rights; this seems complex and potentially impractical with the added complication that 'the Single Voice' is also to be offered seats at the board. 'The Single Voice' believes that ownership by the providers as described in the consultation document is complex and unworkable. Many smaller providers have in particular expressed concern about the value of any voting rights they may have. 'The Single Voice', which has been set up specifically to deal with regulatory matters on behalf of providers and their representative bodies, believes that it should be given voting rights to constitute membership of the new improvement agency on behalf of the sector it represents. 'The Single Voice' should make the nominations / hold the elections for the appointment of board members to the new improvement agency over and above the initial appointment of the chair and chief executive. The membership of the board will be constituted in a similar way to that of 'the Single Voice'.

In the proposition to the Secretary of State in section 6.1 it was stated that:

"We are proposing a system of self regulation through which providers will demonstrate, individually and collaboratively their capacity for assuring minimum levels of performance and for continuously improving the quality and standards of provision for the benefit of learners, employers and local communities. We also envisage a situation where the Single Voice has a pivotal role in developing the capacity for self improvement within the FE system, through sector ownership of improvement guidance and support programmes and the national improvement strategy on which these programmes are based. This will ensure that the sector assumes direct accountability for its performance and reputation, a key objective of self regulation. The Single Voice would wish to enter into early discussions with government on how the sector could achieve ownership of the improvement strategy and the support programmes that arise from this."

In addition to the voting rights identified above, in order to effect this ownership on behalf of the providers, 'the Single Voice' believes that there are three key drivers which will enable it to effect appropriate sector control over the strategic and operational delivery of the new improvement organisation. These require that, on behalf on the further education sector:

1. 'the Single Voice' take responsibility for the National Improvement Strategy
2. 'the Single Voice' chair the National Improvement Partnership Board
3. 'the Single Voice' receive the funds direct from the various government departments and be held accountable for commissioning the new agency for products, services, research and innovative projects which reflect the needs of the National Improvement Strategy.

'THE SINGLE VOICE' DETAILED RESPONSE TO THE CONSULTATION FOR IMPROVEMENT IN THE FE SECTOR

Further Education over the last ten years has changed out of all recognition. It has matured, improved success rates and responsiveness, demonstrated how it responds quickly to government priorities and is now ready to assume progressively, important new responsibilities and to forge a different relationship with government. One of the first and we believe most crucial changes, is over the improvement agenda. The recent submission to the Secretary of State in November 2007, 'Realising Self Regulation in the Further Education Sector – Phase 2'

set out our ambition for self regulation. The Improvement agenda was a central part of providers determining their future in a self-regulating environment. We have identified the key drivers to assist providers in taking responsibility both at an individual provider level and as a sector as a whole for the improvement functions which enable them to meet the needs of learners, employers and government policy.

The case for a new improvement organisation

'The Single Voice' believes that the direction of travel for the new improvement agency is the right one. However, 'the Single Voice' is positioned to take charge of and lead self regulation. The new agency must be positioned in a place where it can support the improvement of the sector as determined by the sector. We believe that the work of the new improvement agency must be led by the providers, however, much simpler ways of doing this which enable effective ownership by the sector must be found over and above those presented in the consultation document. We believe that this response provides answers to the concerns expressed regarding ownership by the sector.

A Vision for the new organisation

Are these, broadly speaking, the right mission and aims? Is there anything you would like to add or delete?

We are content that these are broadly speaking the right mission and aims for the new organization. However, we suggest amendments to emphasise the change in relationship between the new organisation and its partners and in particular 'the Single Voice' which should be leading the agenda on behalf of the providers, its members.

Mission: It is the role of 'the Single Voice' and the providers of the sector to make a success of self regulation. The mission needs to be amended to read that the new organization will support the success of self regulation.

Aims: the first two aims need to be amended to recognize the valuable support role the new organisation will play in the development of the sector. Therefore we would suggest that the wording should be as follows:

“Support the development of a strong, effective and confident sector as it moves towards exercising self-regulation”

“Support the embedding of a culture of continuous improvement within the sector...”

These two changes to the mission and aims places the emphasis on providers with the support of the new agency. We are concerned that the emphasis for improvement should not only lie in rhetoric with the providers but in actuality with them as well. In order to do this effectively, the mission and aims of the new improvement agency must clearly identify where this lies and the role the new agency has to play in supporting the sector in achieving this ambition.

Are these, broadly speaking, and the right activities? Are there others which it should undertake?

Broadly speaking these are appropriate key activities. The issue for 'the Single Voice' is ownership of the National Improvement Strategy. The sector ownership of the National Improvement Strategy is key in delivering improvement. The Self Regulation proposition makes clear 'the Single Voice's' determination that it should own the strategy which brings together the policy of government and needs of providers. In the proposition to the Secretary of State it was stated that:

"A national improvement strategy will be necessary to advance the aims of self regulation, including the capacities of providers, individually and collectively to improve their performance in a self regulating environment. The Single Voice will ensure that the new improvement strategy is responsive to the needs and priorities of providers, learners and employers, as well as the government's own reform agenda."

With this ambition in mind we believe that whilst the new improvement agency needs to have a good working relationship with other agencies and organisations, it is 'the Single Voice' on behalf of its providers who should lead the work of the improvement agency, leaving the agency to develop programmes and services to support the needs of the sector as identified by the sector and its partners. Therefore we suggest that the first key activity in the consultation paper on page 9 should be changed to read as follows.

"Contributing to the review, refresh and update of the National Improvement Strategy by working with the Single Voice."

'The Single Voice' welcomes the opportunity for the commissioning of providers or groups of providers. However the sector must also have a closer involvement in the development of products and services and the commissioning of services they are to receive. This should be facilitated through 'the Single Voice' in order to ensure the new improvement agency is keeping to its remit to commission sector endorsed and valued products and services.

LEGAL STRUCTURE, OWNERSHIP AND FUNDING

'The Single Voice' believes that this section of the consultation is the area for most concern for both the representative bodies which make up 'the Single Voice' and their respective memberships. We will therefore take the opportunity to comment on each paragraph where appropriate within section 3 of the consultation document, in order to detail our concerns and comments.

3.1 'The Single Voice' has been set up to be owned by the sector and operate on the sectors' behalf. It is 'the Single Voice's' job, on its members behalf, to influence the development of government policy on improvement and related issues on behalf of the sector. 'The Single Voice' is there to act as a co-ordinating body. We see no logic or rationale in repeating this with the new improvement agency. We believe this will create needless tension between the new agency and 'the Single Voice'.

3.2 The FE Sector is a complex one where comparisons with other sectors, even within education, are difficult. The examples drawn from HE and the schools sector do not provide enough suitable precedents. The Higher Education Academy and Quality Assurance Agency are sponsored by the funding body Higher Education Funding Council for England. Special Schools and Academies Trust only represents part of the school sector.

3.4 The self regulation agenda has moved forward quickly over the last few weeks and months. 'The Single Voice' has been established and is in a position now to lead the improvement strategy on behalf of providers.

Legal Structure

3.5 We agree that a company limited by guarantee is the best legal vehicle particularly when coupled with corporate status. However the proposed structure of ownership is cumbersome and potentially unworkable even in the short term. Providers and their representative bodies are concerned about the impracticalities of the proposed ownership model. The following comments illustrate our concerns. The membership is potentially unlimited with every college and provider having membership and voting rights. The potential size of this membership makes the concept of sector ownership difficult to envisage in practice. With the potential membership of all colleges and learning, all the other related bodies, employers at some stage and certainly those with contracts with the funding agent, we do not believe the practical application of sector ownership or democratic decision making by direct vote will work. Accountability for the new body under the terms described in the consultation paper will be difficult to demonstrate, with the potential for confusion and slow decision making. In summary, we do not believe the arrangements outlined in this paragraph will work nor will they achieve the aims of accountability. This aim could be achieved better by other means.

3.6 Whilst we do not have objections to the new organisation seeking charitable status, this should be a board decision taken in the best interests of the organisation and in consultation with its members ('the Single Voice') not by an external body.

3.8 & 3.9 'The Single Voice' does not understand how the proposal in these paragraphs for members' votes will work. If votes are to be weighted "broadly according to contract value", what does this mean? Presumably, that high turnover/ contract value colleges and providers will get more votes than smaller colleges and providers. With contract values changing on a yearly basis this will mean a reallocation of voting rights. There is potential for groups of providers and colleges to use their votes in such a way that may lead to an inappropriate balance of membership. We believe that whilst the aims and intentions are laudable, the practice will be complex and unworkable. In addition there is the added complication that 'the Single Voice', which is made up of democratic membership bodies owned by and operated on behalf of the colleges and providers in the sector, will also have voting rights. A legal membership such as the one proposed in the consultation sets up numerous potential disputes and inevitably means that a disproportionate amount of resource many have to be diverted to administration. The last line in 3.9 "Arrangements may need to evolve further in the future as 'the Single Voice' develops". This points the way to the best solution, which is to use 'the Single Voice' now as the appointing / nominating body for the voting rights. The details of this will need careful working through. However, 'the Single Voice' is now in place and presents a much less complex solution whilst achieving the same desired outcome which is a sector owned improvement agency.

3.10 As indicated in 3.8 & 3.9, this approach is fraught with problems. The board sets strategy but should seek "a vote" of its members and other guarantors on major issues. Who determines what these issues will be? How many such meetings will take place in a year and how many members will in reality attend? If the board is established it has to have the autonomy to do the job. 'The Single Voice' believes that on behalf of the sector it should appoint the board members other than the first chair. The board members should come from the constituent parts of the sector represented by the 'the Single Voice' and be accountable to its membership, 'the Single Voice' members, who are in turn accountable to the providers who make up the FE Sector.

Funding Models

The funding of the New Improvement Agency should be based on the products and services which are developed to support the delivery infrastructure in bringing about improvement in the sector. The priorities for improvement based on government policy and provider need articulated in the sector owned ('the Single Voice') improvement strategy. Therefore we propose that government funding for the New Improvement Agency to go through the 'the Single Voice', who could ensure on behalf of the government and sector not only that the strategy for improvement is fit for purpose, but could also commission and pay for those services from the new Improvement agency which are fit for purpose and have provider commitment. In terms of the other types of funding / sale of products and services, this should be determined by the new improvement agency board, who in consultation with 'the Single Voice' acting on behalf of the sector, will determine what in addition would be needed to support the provider base in the improvement agenda.

Yours sincerely,



Sir George Sweeney
Chair, The Single Voice for Self Regulation (for Further Education)

Further enquiries relating to this submission should in the first instance be directed to
Paul Eeles
Self Regulation Project Team
peeles@learningproviders.org