

University and College Union response to Labour Party policy consultation on a National Education Service

June 2018

The University and College Union (UCU) is the UK's largest trade union for academics and academic-related staff in higher and further education, representing over 110,000 members working in universities, colleges, training providers, adult education settings and prisons.

UCU has welcomed the Labour Party's focus on education, its commitment to eliminate fees at all levels and its move towards a National Education Service (NES).

Values

UCU has been making a case for a National Education Service which is:

- **fairly funded** so that cost is never a barrier to participation
- **accessible** to everyone regardless of age, background or circumstance
- **expansive** with support for a broad curriculum and a range of delivery modes
- **flexible** so providers can respond to changing and emerging needs
- **coordinated** with clear links and pathways between different parts of the system
- **accountable** to students, staff and the communities it serves
- **high-quality** with learning at all levels delivered by highly-trained, well-supported professionals.

Principles

UCU welcomes the guiding principles set out within the charter and consultation document. We would suggest that the first point about the intrinsic value of education could be strengthened by stating explicitly that education is a public good as well as an individual benefit. Furthermore, education's role in challenging perceived wisdom and driving innovation should be emphasised.

The charter also highlights the need for the NES to be accountable and it is vital to think how this will work in both higher and further education, especially given the new governance structures introduced by the current government. A reformed Office for Students could have a role to play but proper internal structures need to be put in place to give a proper voice to both staff and students.

Labour's vision for the NES recognises the independent nature of educational provision in the devolved nations and the need for appropriate autonomy in devolved regions. However, it is important that those developing NES are mindful of the impact any changes in England

would have on devolved nations, and that throughout the UK Labour continues to campaign for a vision of education based on shared values. Adding something explicit to this effect may be helpful.

Cooperation and integration

The current government's marketisation agenda, and the focus on competition rather than collaboration between post-school education providers has led to fragmentation of the education sector. The funding system has also incentivised providers to channel precious resources into pursuing league table results and recruiting additional students, rather than focussing on the quality of provision. Long-term, stable funding is crucial to encouraging more collaboration and innovation from providers.

Accountability

UCU has consistently called for increased staff and student representation on key governance structures, both at individual institutions and on regulatory bodies which oversee different aspects of education. This would improve the degree to which those in leadership positions are accountable to their key stakeholders.

The union has also called for a proper register of leadership pay and perks in higher education, and for full minutes of remuneration committees to be published, as a way to hold university leaders more accountable for how taxpayers' money is being spent.

Furthermore, UCU would want to see an end to initiatives like the Teaching Excellence Framework (Tef), which fail to offer proper accountability because they are based on flawed metrics. Quality assurance should be supportive and developmental, and focussed on peer review rather than blunt indicators.

Parity of esteem

Fairer funding is central to improving parity of esteem; UCU research¹ has shown that parts of the further education sector are funded at a significantly lower level than higher education, which has led to wage suppression and claims of it being a 'Cinderella sector'.

Quality must also be at the forefront of any reform of vocational or technical education. There is significant concern about how the current reforms to technical education are being managed. For instance, the Department for Education's permanent secretary has issued a warning that the pace of reform is too quick to ensure quality, and the take-up of apprenticeships is lower than expected. If parity of esteem is to be achieved it is crucial that technical and vocational qualifications are high-quality and command the confidence of employers, students and parents.

¹ <https://www.ucu.org.uk/article/7844/Report-exposes-huge-variations-in-public-spending-on-education-across-UK?list=1676>

Staffing

We particularly welcome the final point in the NES charter which places emphasis on the wellbeing of learners and educators, especially in relation to workload. If Labour wants decent terms and conditions to underpin the NES we would argue that this should be stated more forthrightly. Other key issues for staff that the NES needs to address include:

- Falling pay and pay inequality between sectors
- Lack of job security
- Pension inequality
- Managerialism and erosion of autonomy and professionalism
- Brexit and rights of international staff

Addressing these issues will be crucial in ensuring the continued supply of education staff for the future.

Building a National Education Service

UCU has suggested some key areas of focus and recommendations for the Labour party in developing its NES proposals.

Fees and funding: time for a Business Education Tax

Cost should never be a barrier to participation in learning. Ensuring that everyone, regardless of age or background, can freely access the learning they need whenever they need it should be a top priority for any government. UCU therefore welcomes Labour's commitment to eliminate fees and make education at all levels free at the point of use.

The fundamental question facing Labour is how to fund its policy aims in a way which is sustainable and fair – both to students and taxpayers.

UCU's core contention is that employers need to pay more for the supply of skills upon which they rely. While there are very powerful social justice arguments for increasing the amount of education spending funded through taxation there is a strong economic case too.

We know, for example, that private sector productivity is closely correlated with workforce qualifications; for example, a Treasury study² showed that "graduate skills accumulation contributed to roughly 20% of GDP growth in the UK from 1982 – 2005."

To fund the cost of scrapping higher education tuition fees UCU has for some time advocated the introduction of a Business Education Tax. By linking corporate taxation to education, and raising it back to the 2010 level of 28% - something which Labour advocated during the election campaign –there is a chance to make a strong statement that the party wants to act for students rather than shareholders.

UCU proposes that corporation tax should be returned to its 2010 level, a rate of 28%. This would enable significant additional investment into education at all levels and would still mean the UK's CT rate was lower than many competitor countries like France (33%) and Germany (30%).

Labour has already committed to raise corporation tax³ back to 26% and reintroduce a tax of 21% on small companies' profits if it wins the next election. By tying corporate taxation to tangible education outcomes – something which Jeremy Corbyn advocated⁴ during the election campaign - Labour has a chance to make a strong statement about who it wants to act for: students or shareholders.

²https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/229492/bis-13-858-relationship-between-graduates-and-economic-growth-across-countries.pdf

³ <https://www.ifs.org.uk/publications/9206>

⁴ <https://www.theguardian.com/politics/2017/jul/06/jeremy-corbyn-uk-firms-must-pay-more-tax-to-fund-better-education>

Improving the Apprenticeship Levy

The Apprenticeship Levy is arguably a form of Business Education Tax already in action. It is currently applied to large employers with paybills in excess of £3million – less than 2% of employers – and is set at a rate of 0.5% of the paybill. It is estimated to raise £2.9bn p/a by 2020.⁵

Since the levy was introduced, a disproportionate amount of the expansion in apprenticeships has been at degree level. In the last quarter, degree-level apprenticeship numbers rose nearly 27% to 11,600⁶ while numbers of intermediate apprenticeships fell sharply. HEIs have been⁷ quick to respond to the levy by designing provision to meet the needs of large employers. However, degree-level apprenticeships are high cost and low volume, so there is a risk that funding for lower level provision – which is vital for providing progression routes - is being squeezed. In its current form, then, the levy is failing to leverage the desired increase in apprenticeship numbers or the clear vocational progression routes which the government intended.

UCU argues that the levy should be broadened out to become a skills levy covering different types of learning (a view increasingly shared across the sector) and also extended to include more employers (although at a lower rate for smaller businesses). This would be beneficial in that more employers would have a stake in providing training, but it would also allow greater flexibility in how funding was used.

Labour's 2017 manifesto committed to retaining the apprenticeship levy. Going a step further and expanding the levy to include other forms of learning may be a way to leverage further education funding via employers and as a platform for debate about a wider Business Education Tax.

Working conditions and workload

If we allow the pay and conditions of staff to be eroded, we risk creating an education system that nobody wants to work in. Ensuring that careers in education remain attractive is therefore absolutely crucial.

It is vital that all parts of the education system are equally well supported and recognised for the specific role they play in ensuring a skilled society. In further education particularly, the funding imbalance has directly contributed to a recruitment and retention crisis for staff. As college budgets are cut, they are increasingly unable to compete in terms of pay, and to secure the capacity required to deliver the skills agenda.

Since 2009, average pay for further education staff has fallen by 25% against inflation and it is significantly lower than pay for staff in schools and universities. 95% of colleges reported

⁵ <https://feweek.co.uk/2016/04/11/apprenticeship-levy-funding-pot-predictions-cut-by-100m-a-year/>

⁶ <https://www.theguardian.com/education/2018/jan/25/fall-in-uk-apprenticeships-may-force-radical-rethink-of-policy>

⁷ <https://www.tes.com/news/rise-universities-expanding-apprenticeships>

difficulty filling posts during 2015/16, and 64% of those cited low pay as the main reason for this.

The NES proposals also give welcome recognition to the fact that a high-quality education system relies on well-trained and well-supported staff. We also welcome the emphasis on workload, assessment and inspection and support for the support the emotional, social and physical wellbeing of students and staff.

Decent terms and conditions for staff are central to a sustainable and workable education system. Staff working conditions are students learning conditions and proper working conditions should underpin any new system, especially when it come to the use of casual and zero hours contracts.

Insecure employment

The rising level of insecure employment within the education sector suggests that the funding system has created a race to the bottom on employment rights. We welcome the NES aspiration to high standards of excellence and the valuing of all staff as highly skilled professionals, with proper development and training opportunities.

Previous research from UCU ⁸found that 54% of all academic staff, and 49% of teaching staff in UK universities are employed on insecure contracts, a scenario that is sure to shock university students and is far worse than universities will own up to. The highest proportion of insecure contracts are concentrated in lower grades, below the level of senior lecturer and senior research fellow.

Some teaching staff are employed on permanent contracts but paid by the hour. These staff are often no less precarious because they are only paid for the work they do and many of them have variable-hour or zero-hours contracts. Work can shrink, diminish or even disappear entirely at short notice - and with it goes their income.

The tertiary education sector is one of the highest users of casual labour, but insecure contracts present huge drawbacks in comparison to permanent, regular work:

- Without a guaranteed income people are unable to make financial or employment plans year to year, or even month to month;
- Regular patterns of work can be reduced to zero at a moment's notice with no right to redeployment or redundancy pay;
- Students lose out from a lack of continuity of teachers and, often, reduced access to staff employed on minimal hours;
- Teaching staff are often without income throughout the holiday periods, and don't know when or if they will be allocated work in the new academic year;

⁸ <https://www.ucu.org.uk/article/8165/New-report-lays-bare-endemic-use-of-insecure-contracts-in-UK-universities>

The consequences for employers in higher education are just as potentially damaging:

- There are whole areas of institution's service provision with no guaranteed long-term staff;
- The use of such contracts will affect the university's ability to attract and retain high quality staff;
- The exclusion of such staff from robust recruitment, induction, training, CPD and appraisals has the potential to affect continuity and quality of service provision.
- Zero hours contracts are not compatible with developing a professional workforce that will deliver high quality teaching in this country's universities.

Institutions should publish information about the proportion of their teaching staff who are permanent; who have contracts of two years or less; and who are employed on a casual basis. Universities should also publish what proportion of undergraduate classes in each department are taught by each of the three groups.

We have continued to call for a review of all non-permanent academic contracts with the express aim of increasing job security, improving continuity of employment and expanding opportunities for career progression to all staff engaged in any forms of teaching and/or research.

Widening participation and removing barriers to access

UCU is a long-standing advocate of a move to a post-qualifications admissions system, which is supported by admissions staff and would mean applications based on actual grades rather than vague estimates of student potential. PQA would help level the playing field for students from different backgrounds and remove the problems associated with unconditional offers.

The use of predicted grades is unfair on disadvantaged students, whose grades tend to be under-predicted, and has encouraged the use of unconditional offers which put students under enormous pressure to make snap decisions. A post qualifications system should also see better support to students make informed decisions once their results are known.

Recent research⁹ suggests that change need not be something to be scared of and highlights several successful higher education systems that are continuing to evolve their approach to admissions, and the support which students receive in navigating the system, in the name of improving fairness.

In recent years we have also seen a proliferation of unconditional offers made to students on the back of predicted grades. As many critics including universities minister Sam Gyimah¹⁰ have pointed out, these offers make a mockery of exams and published entry

⁹ <https://www.ucu.org.uk/article/9541/UK-only-country-to-use-predicted-grades-for-university-admissions-study-shows?list=1676>

¹⁰ https://www.huffingtonpost.co.uk/entry/sam-gyimah-unconditional-offers_uk_5a96ccfee4b0e6a52303d46b?guccounter=1

requirements and put students under enormous pressure to make hurried decisions about their future.

The Office for Students' (OfS) commitment to analyse the use of unconditional offers by December 2018 is welcome, but this issue can't be looked at in isolation. Unconditional offers are a symptom of a broken system, not the root cause. Bold reform of admissions is needed. Post-qualification admissions are working well around the world and there's no reason why they wouldn't work equally well in the UK.

Beyond admissions reform, an examination of what can be studied across the country and the difference in course availability in different regions is also needed. If people in all corners of the country are to be able to truly feel the benefits of reforms to post-16 education, local access to a range of learning opportunities is crucial.

Accountability and staff representation

The NES highlights the need for accountability within the education sector and it will be important to consider what that means for HE given recent government reforms as well as who the appropriate body in FE should be to ensure accountability.

We were disappointed that there was little proper representation for either staff or students in the new Office for Students and this is something that should be looked at in more detail as staff and student voice is key for the success of any future reforms. The OfS set up a student panel but there is no equivalent or similar representation for staff within the current decision-making structures of the body.

We feel that the OfS should be radically overhauled and properly represent the views of both staff and students. If university leaders are to be held genuinely accountable to students, staff and taxpayers alike, we also need to see proper student and staff representation on the internal committees which set their pay.

Instead of top-down, bureaucratic managerial initiatives like the Teaching Excellence Framework (Tef) we need a system which recognises that staff are experts and empowers them to do their best work. Based on poor metrics, the Tef has failed to provide any useful measure of teaching quality. Instead it has simply added to the heavy workload of higher education staff and further eroded their autonomy.

Pensions

The recent USS pension ¹¹ dispute has highlighted the need for engagement with staff on key decisions which impact the future shape of the sector, and the damage that can be done to trust and goodwill when unworkable initiatives or proposals are imposed.

¹¹ <https://www.ucu.org.uk/strikeforuss>

In higher education, we have a stark divide in pension arrangements, where staff in the Teachers' Pension Scheme have their benefits underwritten by government, and those in the Universities Superannuation Scheme don't.

We would reiterate our calls for government to underwrite the pension scheme to protect future generations of university employees and guarantee a safe and decent pension for all staff working in education.

Managing reform

It is important to deal with expectations when it comes to the wide reforms that Labour are proposing. Not everything can be done straight away; UCU would wish to see the following areas prioritised:

- abolition of further education loans, which have had a low take-up, and funding parity achieved between colleges and schools;
- greater support for part time and mature students in HE;
- fee forgiveness for students in key public services (e.g. nursing, education, social work, medicine, emergency services).

UCU is also clear that there needs to be a recognition of the independent nature of educational provision in the devolved nations and the importance of autonomy in devolved regions, while campaigning throughout the UK for a vision based on shared values.

Key recommendations for the National Education Service

- Introduce a Business Education Tax to support the abolition of tuition fees in post-compulsory education
- Expand the apprenticeship levy to include more employers and different types of learning, boosting funding for skills.
- Bring funding for 16-18 education into line with per-pupil spending in schools.
- Invest in recruitment of additional further education teaching staff to build future capacity for delivering the skills agenda
- Prioritise those areas which need urgent help such as FE, part-time and mature students, graduates in public service and prioritise a comprehensive settlement which respects devolution.
- Continue to push for parity between higher and further education
- Ensure the education system is expansive with support for a broad curriculum and a range of delivery modes and flexible so providers can respond to changing and emerging needs
- Address significant deterioration in the pay and working conditions of staff
- Link education funding to good employment practices in order to improve pay and conditions and institutional accountability.
- Tackle endemic casualisation in the post-compulsory education workforce
- Introduce stricter limitations on vice-chancellor pay and increase the transparency of decision-making
- Recognise the independent nature of education and skills provision in the devolved nations and the need for appropriate autonomy in devolved regions.
- Improve representation of staff and students on both regulatory bodies such as the OfS and in institutional governance
- Ensure international research funding and relationships continue after Brexit
- Give clarity to staff about freedom of movement and remove international students from net migration targets
- Introduce a post-qualifications admissions system for higher education, based on actual grades to level the playing field and remove unconditional offers.