



**WALES
CYMRU**

RESPONSE TO:

**The finance committee – Welsh Government draft proposals for the
2017 / 18 budget**

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1. The University and College Union (UCU Wales) represents more than 7,000 academics, lecturers, trainers, instructors, researchers, managers, administrators, computer staff, librarians, and postgraduates in universities, colleges, adult education and training organisations across Wales.

2. UCU Wales is a politically autonomous but integral part of UCU, the largest post-school union in the world.

3. UCU was formed on the 1st June 2006 by the amalgamation of two strong partners – the Association of University Teachers (AUT) and the National Association of Teachers in Further and Higher Education (NATFHE) – who shared a long history of defending and advancing educators' employment and professional interests.

4. We welcome the opportunity to respond to the Draft budget proposal

Consultation questions

1. What, in your opinion, has been the impact of the Welsh Government's 2016-17 budget?

Although we welcomed the protection of post 16 sector budgets from cash reductions in 2016-17, the impact of previous Welsh Government budget decisions outweighed the advantages of this reprieve. Further education colleges are still tackling ways to provide a quality learning experience on ever decreasing financial resources. Many adult education courses remain closed and colleges are still seeking voluntary redundancies amongst their staff; albeit not at the same level as experienced in the previous year.

Further, it is being reported to us this year, that increasing pressure on finances has seen a reduction in lower level courses such as entry level and level 1. A consequence of this is that young people who do not have the prerequisite skills for a level 2 course are being turned away from the vocational areas that interest them and directed towards basic skills courses. Whilst it is quite right to offer opportunities to improve skills; for many of these young people, it is a barrier to them. They are barred from entering a vocational area that interests and a course that may well stimulate their enthusiasm for learning and provide them with a route to the next level. Our concern is that young people such as this, risk becoming NEET.

An alternative way for some colleges to keep lower level courses economically viable, appears to be to combine both level 1 and 2; basically teaching the two courses at the same time. Students are expected to learn the L1 skills in the first term and then move onto L2. This raises concerns for us as it will rush less able students through a course and will inevitably reduce the quality of experience for students; the worth of the qualification; and the standards that employers require.

Therefore the intention to protect 14- 19 full time provision, is being hindered by the unintended consequences of previous budget decisions, particularly for those young people who choose to leave school at 16, hoping to continue their studies at a further education institution.

2. What expectations do you have of the 2017-18 draft budget proposals?

We would like to see the FE sector viewed with the same level of importance as schools and universities. The current organisation of government portfolios, does not naturally support this point of view. Excluding 'further education' from 'Education' has resulted in the sector's finances being squeezed. Over several years, money allocated to the FE sector has been greatly reduced; if we are to retain a robust alternative to sixth form provision; a route for those not wishing or able to go to university and a valuable vehicle for social mobility and improved health and wellbeing, it needs to be sufficiently resourced. Further education is equally vital to our education system. In particular we would like to see the allocation of substantial funding to ensure that the appropriate infrastructure will be in place to support decisions made as a result of publication of both the Hazelkorn Review and the forthcoming Diamond Review. In the best

interests of the young people of Wales, it is crucial that education providers of the future are supported by adequate and reliable funding, robust organisation and management, and a stable and motivated workforce.

4. The Committee would like to focus on a number of specific areas in the scrutiny of the budget, do you have any specific comments on the areas identified below?

- Approach to preventative spending and how is this represented in resource allocation (Preventative spending = spending which focuses on preventing problems and eases future demand on services by intervening early).**
- Welsh Government policies to reduce poverty, mitigate welfare reform and prepare for an aging population.**
- Impact of the Welsh Government's legislative programme and whether its implementation is sufficiently resourced.**

Investment in post-16 learning opportunities for young people and adults, can improve life chances, assist in the eradication of child poverty, promote equality and social cohesion, improve mental and physical health and can also help to break down the barriers of prejudice and intolerance. The sector has a huge role to play in the provision of quality apprenticeships and in the reduction of those not in education or training, but only if provided with the appropriate levels of funding, needed to support such aims.

We would also like to suggest that the FE and HE sectors could be considered a vehicle for supporting some of the early intervention programmes implemented in schools. For example, providing educational services to engage wider family members will help to promote the benefits of education to all and thus develop a community wide understanding of the advantages learning. There is evidence to suggest that early intervention programmes receiving support from the wider community, have greater long term benefits than those that don't. Therefore, in terms of returns on investment, it would be prudent to ensure that further education colleges, in particular, receive adequate funding to provide a range of services for people of all ages, sending a clear message that education is for everyone and not just for children. Currently adults who did not achieve at school and may have disengaged, are finding themselves unable to access educational opportunities, compounding the belief that education is "not for the likes of me"; a message that is then likely to be passed to their children. With the inclusion of adult education as part of the remit of early intervention programmes now, it could help to reduce the need for costly intervention programmes in future. It is important that gains made at school are not lost at home.

With regard to preventative spending and tackling poverty, as already stated, we see post 16 education as having a vital role to play. It can improve lifelong opportunities to help lift families from poverty and promote social mobility and community cohesion; important factors in improving the health and wellbeing of the children and young people of Wales. With the projection that a quarter of the Welsh population will be over the age of 65 within 20 years, many of whom will

still be working, we see an increased need for adult education in order for the workforce to remain flexible. Likewise access to courses in retirement would help to keep Welsh citizens mentally and physically active and could play an important role in helping to combat isolation and dementia. Adult further and higher education is an important factor in helping people to maintain control over their lives, which will in turn benefit the health and wellbeing of the whole family.

5. The previous Welsh Government have highlighted that the Draft budget 2017-18 will be aligned with [national indicators](#) for Wales.

- What, if any, additional national and local indicators would you like to see as a means of supporting the shift towards a greater focus on preventative spending?

- What, if any, additional national and local indicators would you like to see as a means of supporting the shift towards a greater focus on reduction or eradication of poverty?

Whilst we do not have any suggestions for further indicators at this stage, we would like to draw attention to the contributions, as outlined above, that the post16 education sector make towards many of the existing indicators, in particular:

8. Percentage of adults with qualifications at the different levels of the National

18. Percentage of people living in households in income poverty relative to the UK median: measured for children, working age and those of pension age.

19. Percentage of people living in households in material deprivation.

20. Percentage of people moderately or very satisfied with their jobs.

21. Percentage of people in employment.

22. Percentage of people in education, employment or training, measured for different age groups.

29. Mean mental well-being score for people.

30. Percentage of people who are lonely.

35. Percentage of people attending or participating in arts, culture or heritage activities at least three times a year.

36. Percentage of people who speak Welsh daily and can speak more than just a few words of Welsh.

6. What spending commitments and priorities would you like to see in the 2017-18 draft budget in order to ensure that progress is being made on preventative spending and, in particular, the area of health and social services?

A commitment to increased spending in the post 16 sector particularly increased funding for part time provision, in order to help support the health and wellbeing of Welsh citizens

7. What spending commitments and priorities would you like to see in the 2017-18 draft budget in order to ensure that progress is being made on reducing poverty and preparing for an aging population?

Increased spending on part time adult provision, to make available courses to assist career changes and to provide opportunities for adults to remain actively engaged in the community and to increase mental health and reduce loneliness and isolation. Part time adult provision will also offer to improve the life chances of working adults who wish to gain new qualifications to allow them access to better employment opportunities, therefore improving the life chances of not only themselves, but also their families. Further this would allow the post 16 sector to play an active role in supporting Early Years Intervention projects.

9. What changes to allocations and priorities do you feel need to be reflected in the draft budget 2017-18 and subsequent years as a result of the vote to leave the EU?

Many education and training projects have been and are currently still being assisted by EU funding, and it is welcomed that there will be ongoing funding for projects already approved. We are of course concerned about the financial shortfall, particularly for apprenticeship funding in the FE sector if/when Article 50 is triggered by the UK government.