

Foundation Degree Task Force Report to Ministers

Foreword

Foundation Degrees represent both an opportunity and a challenge. The opportunity is to create a new type of provision meeting the need for a high quality, intermediate, vocational higher education qualification. The challenge is to produce it through partnership, developing effective work-based learning and integration with the existing qualification system.

Participating in the work of the Task Force has been a wonderful learning experience for me and I'm sure for my colleagues. As a former Vice Chancellor I am reasonably aware of the opportunities and challenges which Foundation Degrees provide for higher education institutions. As our work proceeded I began to appreciate the perspectives of other partners.

Further Education colleges are also providers of Foundation Degrees but they bring a different range of experiences than universities. Employers seeking to develop their workforce have needs which drive their perception of what Foundation Degrees should provide. Regional Development Agencies are looking for ways to regenerate the economies of their region. The funding bodies and government have their own imperatives.

This mixture created Task Force discussions which were lively, engaging and informed. We learnt from each other and from those outside with whom we spoke. When we began to focus on our report the enthusiasm for and commitment to Foundation Degrees was evident, together with a strong desire to continue finding ways of meeting the challenges which still existed.

It occurred to me as we were finishing our work that our experience must have mirrored that of the partnerships and consortia which have come together to create each Foundation Degree. I'm sure, as within the Task Force, that there are tensions as the respective partners come face to face with each other's, often different, perspectives. These tensions if handled appropriately become learning experiences, and as the focus turns to finding solutions energises and bonds the partnership.

I am grateful to all my colleagues on the Task Force for their commitment and expertise and for the manner in which we have conducted our discussions. It has been a privilege to lead them and there is a degree of sadness that we will not meet again. We have been superbly supported by colleagues in the Department for Education and Skills.

Our conclusions are, I hope, clear. Foundation Degrees are a bold innovation challenging current activity in many ways. The need for them is clear, and the achievements of the first three years are impressive. There are still many challenges to be met if Foundation Degrees are to become embedded as an integral part of our higher education system. However the first period of any innovation is often the most difficult. The hardest bit has been done. I am confident that if the recommendations set out in this report are followed Foundation Degrees will flourish and come to be seen as the most exciting higher education innovation of this first period of the 21st century.



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Chair, Foundation Degree Task Force

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Chapter 1

The story so far

Introduction

1.1 When David Blunkett announced the piloting of Foundation Degree prototypes in February 2000, the potential significance of this additional HE qualification was not widely recognised. Yet, as the White Paper *The Future of Higher Education* started to make clear in January 2003, the aspirations for this new qualification were far-reaching. The Foundation Degree¹ is a qualification with a degree title, which can be achieved in two years' full-time study or the equivalent part-time. It is normally delivered through Further Education College and Higher Education Institution partnerships. It has employability objectives that require the sustained involvement of employers, and defines a core role for work-based learning.

1.2 The Foundation Degree has made an excellent start, but there are still significant challenges. The Task Force was established in July 2003 to advise Ministers on the way forward to secure the long-term success of this innovative qualification. Its work has been informed by:

- the Quality Assurance Agency's (QAA) *Overview report on Foundation Degree reviews (2003)*;
- research into the experiences of current students and course providers (York Consulting Limited, *Evaluation of Foundation Degrees*, see Annex F);
- early findings from research commissioned by HEFCE and conducted by Professors David Robertson and Manze Yorke (to be published autumn 2004);
- responses to the Task Force stakeholder consultation (summarised in Annex D);
- a number of face-to-face discussions with 'expert witnesses'.

(The members of the Task Force are listed in Annex B. Annex E lists the bodies consulted.)

1.3 In this first chapter we describe the challenges posed by the Foundation Degree, set out the context in which the Foundation Degree is taking root, and illustrate just how much has already been achieved. Subsequent chapters examine those challenges and make recommendations which should enable the Foundation Degree to realise its potential.

The Foundation Degree – the challenge

1.4 The Foundation Degree is a bold innovation, incorporating many dimensions – any one on its own would be challenging, and taken together they have the potential to stimulate a radical reorientation of higher education provision. The White Paper set the Foundation Degree the challenge of "breaking the traditional pattern of demand". In practice, that also means breaking strongly-embedded patterns of supply. It means succeeding where previous attempts have failed in raising the status of vocationally-oriented courses and the credibility of 'two-year' higher education qualifications.

"... there would appear to be some way to go to embed Foundation Degrees into the general consciousness of the institution and to make them an obvious option to students. 'There is still some entrenched opposition to Foundation Degrees in some pockets of the university'."
YCL Report
(see Annex F)

¹The Foundation Degree is at the intermediate higher education level. The current subcategories, such as intermediate, within the level 4 higher education level have been a source of confusion. From September 2004, the current levels 4 and above will be revised in a new National Qualification Framework (NQF) which will make explicit the relationship between QAA's higher education levels and the levels of other qualifications. The Foundation Degree and the HND will be at level 5 in this new framework, and the honours degree at level 6 (see Annex H). We refer to the Foundation Degree as an NQF level 5 qualification throughout.

“The university has developed its partnership with FE and other colleges to the extent that the partnership has become a fully-fledged faculty of the university. This level of integration is unique in English higher education institutions, providing HE progression paths for all students, as well as developing and expanding provision. Most of this expansion has been achieved using Foundation Degree programmes.”
YCL report

- 1.5 This challenge is ambitious, and the White Paper identifies further aspirations. The Foundation Degree, as the ‘major vehicle for expansion’, will ‘help to radically improve the delivery of technical skills’ and play a key role in ‘modernising both private and public sector work forces’, by addressing skills shortages at the associate professional level. Employers will play an important part in designing Foundation Degrees – bringing about a step change in the way employers are involved with the undergraduate curriculum. Supported by the creation of the new national body, Foundation Degree Forward, (see Chapter 8 and Annex G), further and higher education providers will be encouraged to develop close and supportive partnerships to strengthen the contribution of the Further Education sector to expanding opportunity and developing diversity in higher education provision.
- 1.6 Achieving these aspirations poses a number of challenges for everyone involved, including providers, bodies such as the Regional Development Agencies and Sector Skills Councils, public and private sector employers, and government:
- For **employers and employer organisations** – to recognise the potential of the new qualification and take advantage of the opportunity to be involved in shaping higher education. This means finding ways to be involved that are compatible with wider business needs.
 - For **Higher Education Institutions** – to invest in developing and promoting programmes outside the tried and tested honours brand, and to make Foundation Degrees distinctive; to do this in partnership with employers and the Further Education sector, taking into account local and regional economic needs as well as national recruitment; to rethink their approach to admissions and progression; and to develop robust approaches to providing and assessing learning through work.
 - For **Further Education Colleges** – to widen the range of higher education on offer locally, through partnerships with higher education institutions; to develop confidence and capacity in higher education curriculum design and delivery; and to get their contribution recognised and valued by employers, students and the higher education sector.
 - For the **Higher Education Funding Council for England (HEFCE)** – to find new ways of allocating growth in response to regional criteria; and to find resources to support partnership working, employer engagement and flexible learning opportunities.
 - For **the Government** – to communicate the distinctiveness of the Foundation Degree and create an environment in which the other players are motivated to become involved, recognising the risks for providers, the costs for employers, and the tensions facing HEFCE; to promote the Foundation Degree within a joined-up, employer-focused approach to skills and workforce development, and as an integral part of a strategy for widening and increasing participation in further and higher education.

In the next section we look at the context in which these challenges are set, outlining the origins of the Foundation Degree concept.

The context

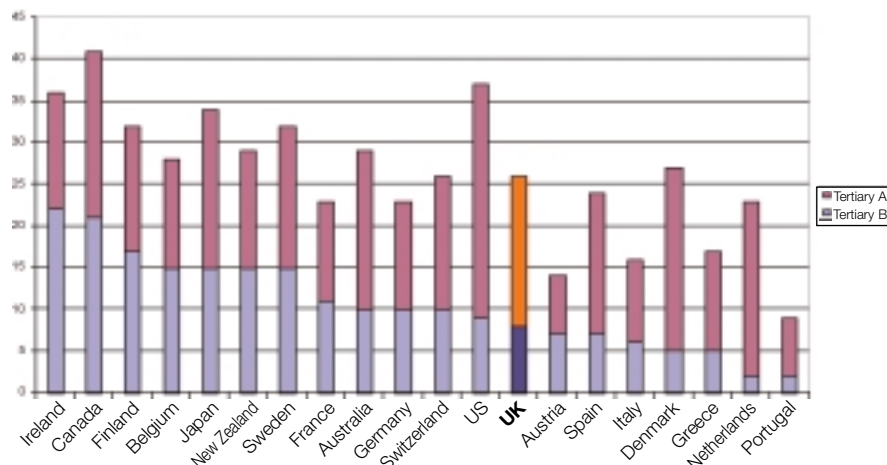
- 1.7 The Foundation Degree was launched in 2000 by David Blunkett in his *Modernising Higher Education – facing the global challenge* speech. Underpinning the argument were the twin drivers of widening participation for social inclusion, and increasing participation for economic competitiveness. Although the Foundation Degree name was new, the roots of the idea went

back many years. Before the *Modernising Higher Education* speech, the *Choosing to Change* report, in 1994, recommended intermediate HE qualifications which combined vocational relevance and potential for progression to higher education and employment. Sir Ron Dearing's National Committee of Inquiry into Higher Education in 1997 had spelt out the importance of developing intermediate higher education level qualifications, as part of a strategy for increasing higher education participation. In 1999, the second report of the National Skills Task Force, *Delivering Skills for All*, had recommended exploring a new system of two-year associate degrees in vocational subjects to support progression from level 3.

- 1.8 The case for higher education expansion and the key contribution of these new qualifications rested on evidence that competitor countries were already educating greater proportions of their workforce to the higher education level, and were planning further expansion. In many cases there was a sizeable contribution from higher education qualifications at the certificate and diploma level (see Fig 1). Further impetus for these qualifications came from evidence of future skills needs, either from existing shortages or new requirements (see Fig 2), not least among the major public sector employers in England. The health and education services, among others, are looking to qualified associate professionals to bring about changed working practices. For example, the Government's agenda for school workforce reform relies on well-qualified teaching assistants.

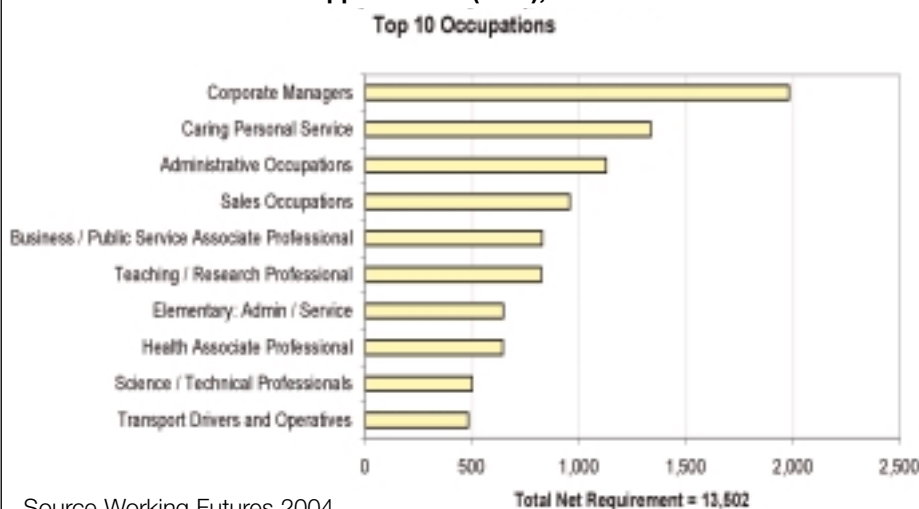
"In France almost half of all post-secondary qualifications are two-year technical or commercial diplomas."
 Source: International Comparisons of Qualifications: Skills Audit Update

Figure 1 Percentage attaining a tertiary education qualification (2001)



Tertiary B is the level of qualification that is most closely associated with intermediate HE qualifications, Tertiary A with honours degree. Source OECD

Figure 2 Job Opportunities (000s), 2002-2012

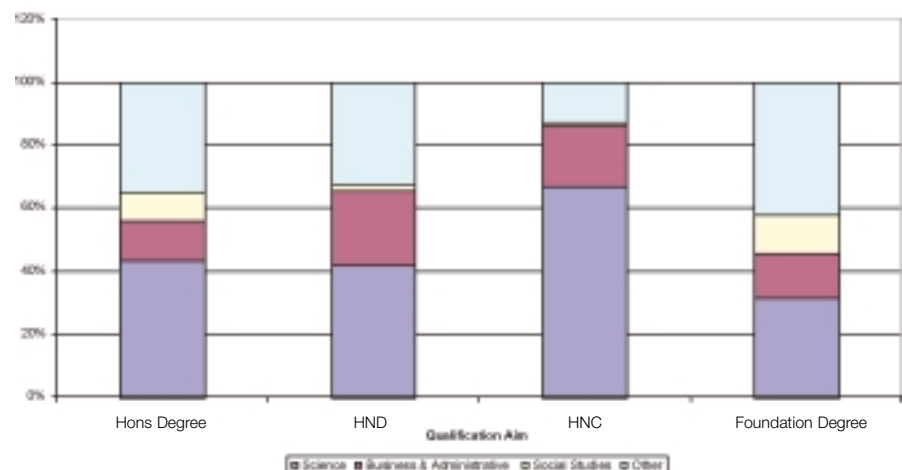


Source Working Futures 2004

- 1.9 For a variety of reasons too complex to explore here, the existing qualifications on offer in England at the intermediate HE level² have never achieved the same broad public recognition as, for example, the Associate Degree in the USA and Diploma programmes in France³. Even though over one third of undergraduate students are enrolled on NQF level 4 and 5 programmes, for over 100 years the dominant undergraduate qualification has been publicly perceived to be the three-year honours degree, and the stereotypical student seen as an 18-year-old school leaver on a full-time course. The recent Higher Education Act has tended to reinforce the focus of attention on young, full-time, honours degree students. The challenge is to establish the Foundation Degree as a distinctive, desirable and flexible route into higher education for a wide age group.
- 1.10 Of course, the reality has been more complex than the stereotype suggests. There are vocationally oriented four-year sandwich degrees for example, and at the intermediate level part-time Higher National Certificates and Diplomas have been recognised higher education alternatives for people in work. Some long-standing sectors of the economy such as engineering and construction still value the Higher National as a qualification in its own right and continue to support employees in part-time study for HNCs, although overall HNC numbers have dropped from around 50,000 to well below 40,000 over the past five years.
- 1.11 The HND has increasingly become a full-time fall-back course for students who hope to do an honours degree but don't achieve the necessary A level grades. Enrolments to full-time HNDs have fallen steadily, down from nearly 56,000 in 1997/98 to under 50,000 in 2002/03, although part-time HND numbers, while smaller, have risen slightly over the same period from around 6,000 to 7,500.
- 1.12 In addition to an overall decline in Higher Nationals, there are newer sectors of the economy which have no intermediate HE products tailored to their needs. There is a marked contrast in the profile of subject areas studied by students on HND and HNC programmes and that emerging for Foundation Degrees (see Fig 3).

Figure 3

Percentage of Enrolments to each qualification aim, split by subject group at English Institutions, 2002/03



Note:

Science includes: Physical & Biological Sciences, Architecture, Computing, Engineering

Business & Admin includes: Business, Admin & Managerial

Social Studies includes: Humanities-based courses

Other includes: Languages, Education, Arts, Hospitality, Retailing

² These are mainly the Diploma of Higher Education (Dip HE), the Higher National Certificate (HNC) and the Higher National Diploma (HND).

³ The exception is the Dip HE in Nursing which has widespread recognition and is the main qualification for the profession.

- 1.13 There are a number of factors that should help Foundation Degrees achieve the status and recognition necessary for sustained success. Their development and promotion, as a contribution to higher education expansion and to meeting higher skills needs, cannot be separated out from the wider package of reforms associated with education and skills policies. The Foundation Degree is demonstrating that it is meeting existing needs, but it is also forward looking. It extends the principles set out in the White Paper, *21st Century Skills: Realising our Potential*, on coherence, flexibility and responsiveness, into vocational higher education. It will be an important component of the progression framework for the differently qualified young adults who experience the reforms from the Tomlinson working group on 14-19 reform (interim report published in February 2004), and those taking part in apprenticeships which were re-launched in May 2004. Furthermore, Foundation Degrees will add to the range of choices for people entering higher education in the new world of variable fees.

The distinctiveness of the Foundation Degree

- 1.14 The Foundation Degree is distinctive not least because it gives credit for learning through engagement with employers and in employment practice, in addition to learning through more conventional academic study. As a general rule, neither the sandwich degree nor the Higher Nationals have offered students academic credit for learning in a work environment. Sandwich placements are considered valuable for personal development, and the quality of students' academic achievements when they return to study after their placement is widely recognised to be transformed. But the placement is a period of experience, not of structured, work-focused learning which is assessed. Some HNDs include similar placements, and HNCs are usually studied part-time by people in work, but these qualifications do not generally structure the work-based learning or assess it.
- 1.15 There has been some scepticism that the Foundation Degree is merely a relaunch of the Higher National. The Task Force is convinced that this scepticism is misplaced, and that the Foundation Degree is distinctive in design and in its scope. Nonetheless, care needs to be taken to make sure that providers continue to adhere to the Foundation Degree's key characteristics – we discuss quality assurance in Chapter 7. Awarding credit for learning through work necessarily implies higher levels of employer involvement in the design, delivery and even assessment of programmes of study than is generally the case in HE courses. It is this engagement, whether through small companies, large organisations, or overarching bodies such as Sector Skills Councils, which gives Foundation Degrees the edge. It is also one of the biggest challenges, and we shall return to it in Chapter 5.

Progress so far

- 1.16 The Foundation Degree Task Force was set up a year ago to consider progress and report to Ministers on the steps needed to build long-term success. One of its early tasks was to comment on the drafting of the DfES progress report, *Foundation Degrees – meeting the need for higher level skills*, published in October 2003. The report set out three objectives for Foundation Degrees, relating to:

- reducing associate professional and higher technical skills shortages
- contributing to widening participation
- promoting regional, sectoral and provider collaboration.

The Government's objectives for Foundation Degrees

- *“To contribute to the reduction in skill shortages at the associate professional and higher technician level by equipping students with a combination of technical skills, academic knowledge and transferable skills that are valued by employers and students.*
- *To expand the number and range of Foundation Degrees and contribute to widening participation by providing flexible and accessible progression routes for young people starting careers, those in employment, and those returning to work.*
- *To promote collaboration between employers, Regional Development Agencies, Sector Skills Councils, universities, higher and Further Education colleges in developing Foundation Degrees.”*

Meeting the need for higher level skills, October 2003

"Two thirds of the Foundation Degree students surveyed by YCL reported that they had been in full-time employment in the year before starting their Foundation Degree course. Half of them had level 3 qualifications, 45% had qualifications below level 3, and the remaining small minority already had degree or postgraduate-level qualifications." YCL Report

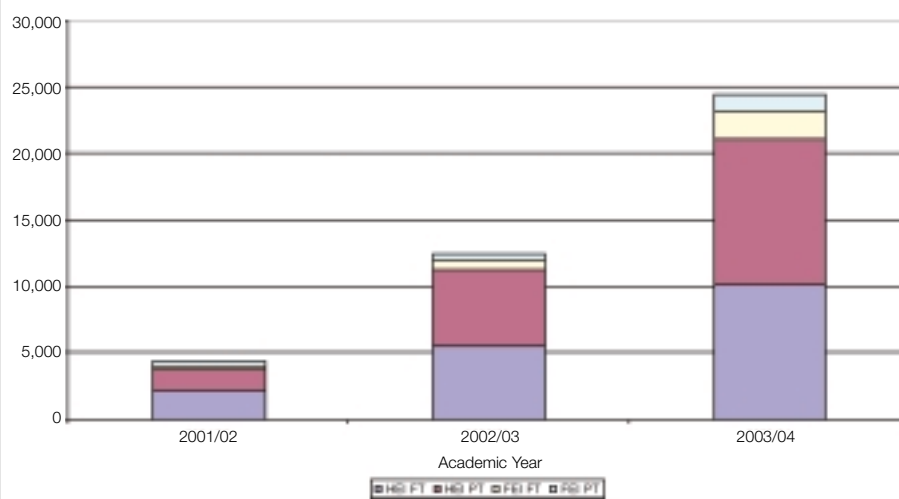
- 1.17 We have identified some remarkable early achievements. From just over 4,000 students in 2001/02, there are now over 24,000 students and around 800 Foundation Degree programmes on offer. Year on year, the numbers studying part-time have been just under half the total (see Fig 4). The early programmes included a high proportion of courses for Early Years workers, which meant there was a disproportionate number of mature women among the students. While provision aimed at the public sector is still strong, the spread of Foundation Degrees on offer now covers a wide spectrum of subjects, from agricultural food production to visual and spatial design. In 2002/03 around two thirds of Foundation Degree students had prior qualifications which were not the traditional HE entry-level qualifications, and less than one third were under 21.

Figure 4

Foundation Degree enrolments – note that the Higher Education institution figures include those on franchised Foundation Degrees in Further Education institutions. The Further Education institution figures refer solely to those directly funded.

Foundation Degree Enrolments, 2001/02 to 2003/04

Source: Higher Education Students Early Statistics Survey



- 1.18 At least 70 Higher Education institutions and many Further Education colleges are already involved in delivering Foundation Degrees, and even more are designing new programmes. HEFCE have allocated a further 4,657 full-time and 7,541 part-time places to come on stream during 2004 and 2005. Providers continue to replace unpopular or outdated courses with new Foundation Degrees. Applicants for full-time Foundation Degree places for 2004/05 are up 50% on the same time last year.
- 1.19 A number of employers have already identified the potential and are committed to developing and promoting Foundation Degrees, either to develop their existing workforce or to stimulate the supply of appropriately qualified new starters. The Skills for Business Network is actively engaged, with seven Sector Skills Councils already developing Foundation Degree frameworks and others doing so as they acquire their licence in the coming months. On the basis of the bids submitted to HEFCE for additional Foundation Degree student numbers, several hundred employers are associated with the proposed programmes.
- 1.20 We have been impressed by the evidence of early success and enthusiasm. However, our discussions with key players have made us well aware of the potential pitfalls in moving from the encouraging current situation to an embedded, flourishing Foundation Degree. The dominant message is one of welcome, support and enthusiasm, but there are some caveats and concerns. We examine these in subsequent chapters and, where appropriate, make recommendations to Government and to other key agencies.

Demand and supply

Need

- 2.1 The need for Foundation Degrees has been well documented. To give just a few examples, The National Skills Task Force in its reports from 1998 to 2000 identified skill shortages at the higher technical and associate professional level as a major problem for the economy. The continuing shortage of people with these qualifications was confirmed in the 2002 Employer Skills Survey. The Institute for Employment Studies projects that of 13.5 million total jobs expected to be filled by 2012, 50% will be in occupations most likely to demand higher education qualifications.
- 2.2 Foundation Degrees are intended to substantially increase the number of people with NQF level 5 qualifications, both to meet the needs of the economy, and to provide social inclusion by attracting students from groups currently under-represented in higher education. Their success will demonstrate that there need be no conflict between economic and social objectives in higher education policy.

The Foundation Degree 'brand'

- 2.3 To understand how this might best be done, we need to explore the nature of the qualification. Foundation Degrees have developed into a single brand with many products, which can be classified in a number of different ways. From a supply perspective the products are readily identifiable and align with different levels and methodologies of public funding, ie:
- full-time courses
 - part-time courses
 - mixed mode.
- 2.4 The different types of demand for Foundation Degrees are a little more complex to analyse. One categorisation might be:
- people in work or their employers seeking to develop and upgrade workforce skills;
 - people in work or their employers seeking vocationally-oriented progression routes from work-based level 3;
 - people leaving school or college, seeking vocationally-oriented progression routes from level 3;
 - people with non-traditional entry qualifications seeking a route to a higher education qualification;
 - people wanting a change of occupation;
 - employers seeking to fill skill gaps, develop new job roles, or meet regulatory requirements.

Keith had a GCSE in maths and English prior to the degree: *"I have had two promotions since the start of my studies. This would not have been achievable without the fact that I was in the process of studying towards the FDS Sc Logistics and Transport."* Employee, Ford Motor Company

"Until it is more widely advertised I'm not confident that employers will be taking this qualification seriously."
YCL report

"There is also a strong view that raising the profile of a major new qualification takes time. Referrals by satisfied students and employers will be the most powerful form of marketing. There remain concerns that Foundation Degrees may not prevail into the medium/longer term, despite assurances from Ministers." YCL report

- 2.5 Some categories of demand match easily to a particular type of supply provision. For example, people in work seeking to upgrade their skills will usually follow a part-time or mixed mode course. Those leaving school or college looking for vocationally-oriented progression routes are more likely to be attracted to full-time courses. But in many cases a particular form of provision meets more than one category of demand.

Building awareness

- 2.6 Foundation Degrees have, since their inception, been promoted by the Department for Education and Skills through an intensive awareness-raising publicity campaign. In total some £6 million was budgeted for this campaign over the period 2003/04 to 2005/06. A multi-layered approach has been followed, targeting employers and students, including extensive use of the press, online and radio advertising and a wide-ranging PR campaign.
- 2.7 The evidence is that this is beginning to have an impact. At the beginning of 2004 student awareness of the name and the concept of Foundation Degrees had risen to 41 per cent and employer awareness to 38 per cent. These are significant increases on the awareness percentages when Foundation Degrees began in July 2001.
- 2.8 There should be no defensiveness about the continuing need for an awareness-raising publicity programme. As we indicated in Chapter 1, the Foundation Degree is a major innovation challenging many existing characteristics of higher education and its qualifications. As a new brand it faces the strength of the honours degree, which dominated perceptions of higher education provision throughout the 20th century. In the minds of students and the public, the standard higher education qualification is the honours degree and the intermediate qualification is called a diploma or certificate. A new qualification which is firmly at NQF level 5 and, equally firmly, is classified as a degree is likely – initially at least – to be treated a little warily. Moreover, as we have pointed out, the distinctiveness of the Foundation Degree does not cover just its level or name but also its nature in terms of employability, and its design and delivery in terms of employer involvement and partnership between Higher and Further Education institutions.
- 2.9 For all these reasons a continuing awareness-raising campaign is required to generate demand in the next few years. We support the move to go beyond general media campaigns. The campaign needs to be deepened to reach careers advisers in schools, colleges and the Connexions Service. It is vitally important that school and college leavers understand fully the possibilities available to them. In conjunction with Foundation Degree Forward, the campaign should also work more intensively with employer and employee organisations, Sector Skills Councils, the LSC and Regional Development Agencies, at a more micro and sectoral level, to raise awareness of the benefit of Foundation Degrees in workforce development.

We recommend that the DfES awareness-raising campaign be continued and deepened until at least 2006/07, as set out in paragraph 2.9. (Ref. 2-i)

Part-time courses

- 2.10 There were 12,000 students enrolled part time on Foundation Degrees in 2003/04. Although part-time courses contribute to widening participation objectives and some may recruit school and college leavers, their main focus is the development of the existing workforce. It is here that the skills gap most directly bites on company performance and is evident to senior managers. Moreover, existing part-time higher-level vocational provision is fragmented. The HNC is important in some sectors such as engineering, but is vulnerable or non-existent in other sectors. Part-time honours degree provision is often a long and lonely route, outside the demand from employees of bigger companies, and its supply is patchy. So the part-time Foundation Degree enters a rather barren field. The gap it is intended to fill is glaring and obvious.
- 2.11 This should make the stimulation of demand relatively simple, but there are other obstacles to overcome. Workforce development is driven by individual firms or organisations and their employees. In most cases they need to come together in coherent sector groupings before viable provision can be delivered. Single-company schemes are possible but there may be funding implications – we discuss these in Chapter 6. The demand picture is inevitably patchy across sectors and between larger and smaller organisations. In analysing actual and potential demand it is useful to distinguish between public and private sectors.

Public sector demand

- 2.12 Some of the largest employers in the UK (as collective entities) are in the public sector. ONS Labour Market Trends data from September 2003 suggest there are around 800,000 people employed in central government, 2.7 million in local government (including education, social services and the police) and around 1.4 million in NHS trusts. Within these organisations there are professions (eg nursing, teaching assistants) or occupations (eg police) or departments (eg Ministry of Defence, individual local authorities) with enough critical mass to sustain demand over many years. A particular challenge for some parts of government is the modernisation and enhanced professionalism of public services. In both health work and school classrooms the contribution of the Foundation Degree is important. Moreover, there is already evidence of the commitment to workforce development through the establishment of institutions, structures and processes to broker or deliver programmes – the NHS being one example.
- 2.13 Early Foundation Degrees have included a significant number focused on public sector needs. Enough detailed data has not been collected for an exact analysis, but HESA data shows that, of the 9,130 students studying for Foundation Degrees in HE institutions or on franchised programmes in Further Education colleges in 2002/03, some 2,000 were on programmes classified as ‘education’, a further 550 in subjects allied to medicine, and 1,100 in social studies. The Home Office-supported Police Studies Foundation Degree at the University of Portsmouth has recruited over 600 students since its inception in September 2002.
- 2.14 However, even in these sectors there is evidence of patchy awareness. Some government departments and many local authorities have not yet taken on board the potential capacity of Foundation Degrees to meet their needs. We know this is being addressed on an ongoing basis. The opportunity and the necessity for the public sector in general, and central government in particular, to act as an exemplar on the contribution Foundation Degrees can make to workforce development requires the DfES to give this its continuing attention.

“In developing a Foundation Degree in Aeronautical Engineering, I visited several higher education institutions to see what they had to offer and to ascertain which one best met our requirements. ... we facilitated single-service (Navy, Army, Air Force) discussions of their training with an appropriate higher education institution, which matched that training with the technical and academic requirements of its course. Partnership discussions were also held with the relevant Sector Skills Council, in this case SEMTA, to ensure the robustness of MOD training against the National Occupational Standards.” MOD

“In the education sector, the Teacher Training Agency provides a good example of building thinking about Foundation Degrees into workforce development. Many support staff in school are interested in progressing to associate professional and higher levels; for a long time, this has been a long and difficult journey for non-graduates. The TTA has now established a new national status for associate professionals – the Higher Level Teaching Assistant status – and by working with 19 pilot HEIs which have Foundation Degrees, the TTA is examining how the established HLTA assessment process can work alongside degree programmes ... it looks likely that from next year other teaching assistants on Foundation Degree could also gain a status which will be nationally recognised.” TTA

We recommend that public sector employers, including central government, act as exemplars for the contribution which Foundation Degrees make to recruitment and workforce development. (Ref 2-ii)

Private sector demand

- 2.15 The general challenge of persuading employers of all sizes in the private sector to take workforce development seriously has been discussed in other reports. Our concern is how to persuade those who do take it seriously that Foundation Degrees have an important contribution to make to their company's prosperity. Many are already persuaded, and there is an increasing number of cases of exemplary practice, some of which are mentioned in this report.
- 2.16 Clearly a serious, systematic and sustained approach to workforce development is a necessary, but not a sufficient, condition for engagement with Foundation Degrees. What is often also required is a co-operative approach with other employers in a sector or a region, and a strong partnership with the further and higher education institutions providing the courses.
- 2.17 The Sector Skills Councils, established to tackle the skills and productivity needs of their sector, will have an increasing part to play in this respect. In addition to their role in setting occupational standards, they will also stimulate demand from employers in their sector by the identifying of progression frameworks incorporating the Foundation Degree. By focusing on their developmental role as much as their potential standards-setting role they may find it easier to form partnerships with providers.

We recommend that Sector Skills Councils take a prominent role with employers, particularly SMEs, to build awareness of the contribution of Foundation Degrees to the skills needs of the sector and hence stimulate demand for them. (Ref. 2-iii)

- 2.18 Existing relationships between providers and employers form a base from which to stimulate demand for Foundation Degrees. Higher education institutions can translate good relationships at honours degree or postgraduate level into an effective one at the intermediate undergraduate level. In some cases this may be a challenge, and may need partnerships with Further Education colleges, who may already have a myriad set of relationships with employers in providing level 3 and other qualifications or through their Centre of Vocational Excellence (CoVE) status. They may find it relatively easy to persuade firms and their employees of the benefits of stepping up to the NQF level 5 qualification. This is recognised already in some successful FE/HE partnerships, and the benefits of building on FE/employer relationships as well as HE/employer relationships should not be overlooked. Providers can also work with Regional Skills Partnerships to support clusters of employers who require employees with higher-level skills.

We recommend that the LSC continues to support Centres of Vocational Excellence and the wider FE sector in using their relationships with employers to stimulate demand for Foundation Degrees. (Ref. 2-iv)

We recommend that Foundation Degree Forward supports providers in working through Regional Skills Partnerships to develop Foundation Degrees that respond to higher-level skill needs in the English regions. (Ref. 2-v)

Full-time courses

- 2.19 There are over 12,000 students studying on full-time Foundation Degree courses in 2003/04 – this is a good achievement for the third year of operation. Anecdotal evidence indicates that some of these students applied for and may have preferred to enrol on an honours degree course but were diverted to the Foundation Degree. This is not surprising and is likely to continue for some years. The Foundation Degree is a NQF level 5 award and will provide opportunities for students with a wide range of prior qualifications and experiences.

- 2.20 It has been suggested that the demand for Foundation Degrees is being ‘distorted’ by the policy of restricting HEIs’ additional student numbers to Foundation Degree provision in recent years. We see nothing wrong in this policy. A degree of support for a new product as it seeks to establish itself is to be expected. Indeed, there is anecdotal evidence that some institutions are voluntarily transferring student numbers from low demand honours courses to Foundation Degree courses.
- 2.21 The relationship between supply and demand is a complex one, but at its heart is the control of admissions by HEIs. Where institutions have an incentive to recruit (such as an increase in funded places) they will find innovative ways of doing so. This relationship is clearer with a new product such as Foundation Degrees. Supply must come first, for it is difficult for demand to manifest itself for a product that does not exist!
- 2.22 To complement the national awareness campaign, providers need to be encouraged to supply and stimulate the demand for full-time Foundation Degrees. Most recently, supply has been stimulated by allocating additional student numbers and the introduction by HEFCE of a 10 per cent premium. When general growth in student numbers is again funded, HEFCE should ensure that the majority of additional numbers go either to Foundation Degrees or to students progressing from Foundation Degrees to the final year of honours degrees. Moreover, the recent announcement of the establishment of regional Lifelong Learning Networks by HEFCE, the LSC and the DfES will encourage providers to strengthen their partnerships in support of Foundation Degrees. If further additional numbers are to be linked to Lifelong Learning Networks, then, in line with current Government policy, we would expect the majority to be made available for new Foundation Degree provision.

We recommend that HEFCE encourages Further and Higher Education institutions to recruit to Foundation Degrees through its planning and funding support. (Ref. 2-vi)

We recommend that Lifelong Learning Networks have a clear strategy for growing proportions of Foundation Degree provision. (Ref. 2-vii)

- 2.23 Where there is full-time recruitment to a Foundation Degree delivered in a Further Education college, the students may have been previously in the college taking level 3 qualifications. In this case, the college already has a relationship with them and students are familiar with the college environment. This should make it easier to generate demand, although the overall population involved may be relatively small. There are many other factors, including funding, quality and partnership arrangements, which impact on the question of Foundation Degree provision in Further Education colleges – these are covered in future chapters. However, in relation to generating demand there are benefits in recruitment by Further Education colleges.
- 2.24 The demand for Foundation Degrees is also linked to the future of the HND. Recruitment to HND courses has been on a slow but steady decline since the early 1990s and we would expect this decline to continue. However, the HND is still valued by some employers and students, particularly in engineering and construction, as a national qualification. The Foundation Degree has a wider occupational coverage than the HND and is designed to be more effective due to more explicit employer involvement and accreditation of work-based learning, more direct application of skills in the workplace and more coherent progression arrangements to honours degree programmes.

"The content of the older HND course was used as a guide to developing a new Foundation Degree programme. The HND is still run in parallel, but the new units that have been written have been developed specifically for the Foundation Degree which is seen by staff and students as more academically demanding than the HND." YCL report – case study

"The Foundation Degree strategy of only offering programmes in response to market needs has been a fairly natural development, drawing on past practice. The university now considers that HNDs are 'a thing of the past' and the Foundation Degrees are the preferred qualification for the future." YCL report – case study

"One university felt that nearly all of the students on their current Foundation Degree programmes would not be applicants for any traditional undergraduate courses at the institution..... the university is seen by the local community as a very 'traditional academic' institution, research-driven, very 'set in its ways' and not welcoming to mature students (despite a long history of Adult Learning) ... As a result, Foundation Degrees are very much seen as an integral part of their widening participation strategy." YCL report

- 2.25 It is not surprising that in these early years of the Foundation Degree some employers and students opt for the familiar rather than the unknown. And the fact that some Foundation Degrees have developed from HND programmes is a positive step, provided that they incorporate the core design elements of Foundation Degrees. For the time being the student and employer markets should be allowed to decide which qualification they prefer. The first graduates of Foundation Degrees have only just emerged. In the sectors where Foundation Degrees and HNDs are both on offer, we must allow a reasonable length of time before any decision can be made about the market's judgement on their relative merits.
- 2.26 Changes already in train in general higher education policy could have a significant impact on the demand and supply of Foundation Degree places in the future. The move to a differential fee with a maximum of £3,000 from 2006/07 will increase the costs of studying for many in higher education. This will manifest itself in an increasing debt burden for each year of study, so a programme which offers a marketable qualification in two years rather than three should become increasingly attractive. The key is the marketability of the qualification, and that will depend on both good employment and career development opportunities and guaranteed progression routes for Foundation Degree graduates. These are discussed in Chapter 4, but in any event these key elements are necessary if Foundation Degrees are to be sustained, let alone become a driver for future growth.
- 2.27 The Government's drive to widen participation through the establishment of the Office for Fair Access (OFFA) could also impact on the provision of Foundation Degrees, this time from the supply side. There is anecdotal evidence that some universities, particularly those created before 1992, have begun to identify Foundation Degrees as a readily available vehicle for meeting their widening participation obligations. The fact that most, if not all, the provision can take place in local Further Education colleges rather than the university itself is an added attraction. As 2006 looms we might expect to see more examples of this behaviour, and the effect on stimulating demand through more varied supply should be positive.

Entry routes

- 2.28 A key factor in generating demand is the qualifications with which students enter Foundation Degrees. The current pattern is that Foundation Degree students are older than those on honours degrees or HNDs, and that they are less likely to have the traditional level 3 entry qualifications. In the first few cohorts a small but significant proportion – perhaps around 6% – appear to have a previous higher education qualification. This may reflect those who are seeking to enter a new profession through an associate professional route (for example teaching assistants). At the other end of the spectrum, some Foundation Degree students have very few prior qualifications.
- 2.29 An innovatory qualification needs to be flexible and pioneering in its entry requirements. As with all qualifications, the minimum criteria for entry must be a judgement of the students' ability to benefit from and succeed on the course. Admission tutors, particularly on full-time courses, should interpret this as generously as possible. For workforce development through part-time provision a wide range of previous qualifications is to be expected and these may be more occupationally specific. In relation to both full and part-time courses it is important to take full advantage of APEL opportunities.

2.30 The recently announced drive to provide more coherence to apprenticeship education and training is welcomed. It offers the opportunity to develop Apprenticeships as a more popular entry route into Foundation Degrees. It will be important to ensure that all involved – employers, employees, funding bodies, training providers, and course leaders – are aware of the opportunity, and work together to exploit it. We note that so far progression from Apprenticeships to higher education has been weak, and that the DfES, HEFCE and the LSC are looking at this as part of their joint progression strategy. A number of initiatives are underway, including work with Sector Skills Councils, an initiative from the Universities Vocational Awards Council (UVAC) and Universities and Colleges Admissions Service (UCAS), and plans to develop stronger progression routes with employers, for example in the engineering sector.

We recommend that the DfES, HEFCE and the LSC continue to give priority to improving progression from Apprenticeships to Foundation Degrees in response to employers' needs. (Ref. 2-viii)

2.31 We are optimistic about the longer-term outlook in the area of entry qualifications because we believe that the 14-19 reforms proposed by the Tomlinson Committee will bring closer alignment between 14-19 qualifications and higher education vocational qualifications. In this respect the Foundation Degree has anticipated the changes being introduced in 14-19 qualifications, and developments are moving in the right direction.

Professional bodies

2.32 Professional bodies have a vital part to play in the development of Foundation Degrees and their role is considered in other chapters. While their key function of regulating entry to their profession most directly impacts on issues of progression and quality assurance, they also have an important part to play in stimulating demand.

2.33 Based on an analysis by Peter Swindlehurst, a member of our Task Force and Secretary to the UK Inter-Professional Group, we have identified the following areas of opportunity for expanding the development of Foundation Degrees through professional recognition:

- Professions recruiting at first degree level accepting Foundation Degree graduates who have subsequently graduated from the final year of a relevant honours degree.
- Professions that have associate 'professional and technical' roles allied to them. Foundation Degrees could provide a route to both the 'associate professional' qualification and a progression route to the higher-level professional qualification.
- 'Associate professional and technical' occupations which require education and training, often part-time.

2.34 In any of these three categories the potential is strongest where shortages exist. There is little point in developing Foundation Degrees in a profession where there is already an oversupply of qualification routes where demand for the services of the profession is static or declining. Areas where the potential seems strongest at present include:

- dental support professions
- library and information professionals
- personnel and development professionals

- veterinary nursing
- engineering.

We recommend that Foundation Degree Forward takes the lead in working with professional bodies and the relevant Sector Skills Councils in developing and promoting Foundation Degrees as a way of meeting skills shortages in professions. (Ref. 2-ix)

Summary

2.35 We are confident, on the basis of our analysis, that the expectation of 50,000 students on Foundation Degrees by 2006 will be realised. Indeed we would be disappointed, as long as funding is provided, if this were not exceeded. The scale of future provision will depend on more than just generating demand. However, we believe that demand will grow substantially if some or all of the following occur:

- The awareness-raising campaign is sustained and deepened in the next three years.
- Public sector organisations act as exemplars to other employers on the contribution of Foundation Degrees to workforce development.
- Sector Skills Councils take a prominent role, working with the employers in their sector – particularly SMEs – to stimulate demand for Foundation Degrees.
- Further Education colleges, particularly those with CoVEs, are encouraged to build on their existing good relationships with employers in level 3 provision.
- HEFCE continues to provide additional student numbers, both for Foundation Degrees and for those who go onto the final year of honours degrees.
- HEFCE continues to identify and monitor Foundation Degree numbers as a separate part of its contract with institutions.
- The increasing student debt after 2006 makes Foundation Degrees financially more attractive to students.
- The requirements of OFFA stimulate an increase in provision to help meet institutions' widening participation targets.
- Market pressures produce a significant decline in the demand for HND courses.
- Institutions are flexible and innovatory in their approach to entry requirements, making full use of APEL opportunities.
- The potential of Advanced Apprenticeships as an entry route into Foundation Degrees is realised.
- The appropriate professional bodies are encouraged to embrace Foundation Degrees as relevant routes to professional qualifications.

Chapter 3

Design and delivery

Introduction

3.1 The distinctive features of a Foundation Degree are set out in the Quality Assurance Agency (QAA) *Draft Qualification Benchmark for Foundation Degrees*, issued in 2002. The Benchmark (see www.qaa.ac.uk) is currently being reviewed and finalised, and we understand that the changes will not substantially alter the distinctive features. They can be summarised as:

- employer involvement
- accessibility and the variety of entry routes
- articulation and progression to honours
- flexibility
- the expectation of FE/HE partnerships.

To these could be added the combination of a two-year full-time-equivalent qualification with a degree title.

3.2 It can be, and has been, argued that all these characteristics (with the exception of the title 'degree' for a two-year full-time qualification) can be found in existing provision such as the HND or vocational or applied degree courses. So what, apart from the title, makes the Foundation Degree different? Or to put the question more appropriately, what makes Foundation Degrees different from the student's perspective?

3.3 One answer is that while these characteristics can be found to a greater or lesser extent in existing provision it is rare to find them all, and rare to find them built into the design and delivery of the provision from the start. These would be ambitious objectives for well-established provision. To embed them in a new qualification, with a new and unfamiliar title, intensifies the delivery challenges.

Quality Assurance Agency review

3.4 In 2003, HEFCE commissioned the QAA to undertake a review of the first Foundation Degrees. QAA looked at a sample of 33 programmes enrolling over 3,000 students. The wider issues of the quality and quality assurance of Foundation Degrees will be considered in Chapter 7. Here we focus on the QAA's observations on the student learning experience.

3.5 The QAA reviews concluded that they had confidence in the quality of learning opportunities in 30 of the 33 Foundation Degrees reviewed. Particular strengths identified were:

- The effective involvement of employers and employment-related organisations to identify employment needs, and to assist in the design and content of the Foundation Degree.
- A wide range of teaching ^{be applied to all} learning and assessment approaches is used to support student achievement of a mix of employment skills and academic learning.

- Students are offered flexibility in their studies, for example in attendance, location, workload planning, work-based learning and intermediate certificated exit points.
- Curricula are well designed to support the sequential development of planned learning outcomes and an underpinning of contextual awareness and skills.
- Appropriate and well-managed specialist facilities are available to Foundation Degree students, either through education institutions or employers.

3.6 The involvement of employers in identifying employment needs, in the design of programmes and in programme delivery was identified as an area of good practice. So, too, was the use of online learning materials and the promotion and support of students' independence, self-reflection and personal development through the use of log books and progress files. However, the report also made recommendations for further development and improvement. Among the issues which it stated needed to be addressed were:

- the involvement of employers in the summative assessment of students' work-related skills;
- the need for more information for employers to help them to contribute effectively to Foundation Degrees;
- the appropriateness and effective operation of systems for accrediting prior experience and learning, particularly to accommodate previous work experience;
- the variability of students' experience in work-based learning;
- support and guidance, particularly for part-time students.

3.7 Overall, the conclusions from the QAA review were encouraging. The evidence showed both commitment and performance in the design and delivery of Foundation Degrees. This is particularly commendable for the early years of operation when a more patchy experience might have been expected.

Employability and learning from work

3.8 One of the key issues which we have discussed with employers and other organisations is the learning from work element of Foundation Degrees. The *QAA Overview Report on Foundation Degree Reviews* notes the variability of work-based learning experience and designates this as an area for further development in good practice.

3.9 A variety of similar sounding terms is used to describe the work element of higher education programmes. This includes 'work-oriented', 'work-related', 'work-focused', 'work-placed' and 'work-based'. Since the 1980s the literature in the field has defined work-based learning as including structured learning opportunities to stimulate critical reflection on what is being learnt in the workplace. The Council for Industry and Higher Education (CIHE) was just one of the organisations which pointed out to us that it is not work experience *per se* that is valuable but the students' reflection on that experience, and the integration of the work and study-based learning elements. Work-based learning can be differentiated from both workplace learning and work-related learning. The former is commonly understood to refer to the environment of work as a locus for learning but does not necessarily include the significant component of opportunities for critical reflection, analysis and understanding.

"It allows me to put my learning into action and discuss issues with other professionals." Student comment on work-based learning – YCL report

Work-related learning is understood in relation to a general sense of inculcating employability skills, transferable skills etc. It does not necessarily require involvement from the employer.

- 3.10 It is important to remember that the purpose of learning from work is to increase the students' employability. In this context it is the quality of the learning from work which is important. A work-based experience which has significant employer input and is located in a realistically simulated environment, which is rigorously assessed and which integrates the work and study-based elements, is likely to be far more valuable than a workplace experience which has none of these characteristics.
- 3.11 Since work-based learning is central to the distinctiveness of the Foundation Degree, it is important to avoid overly-prescriptive definitions of the work-based element. This will enable Foundation Degree programmes to reflect the variety of occupations, professions and sectors they apply to, and the many different employment situations.
- 3.12 In its review the QAA expressed some concern at the variability of student work experience and reported that 'the vast majority of programmes are experiencing problems in effectively linking work-based and theoretical learning'. This finding is not surprising because this difficulty is experienced by other higher education programmes. It is a particular challenge to Foundation Degrees because this integration of work and study-based elements is a central feature of the programme. However, it is also more likely to be achieved in Foundation Degrees because the conditions for its achievement are built into the design process. The involvement of employers at all stages, a co-ordinated approach at the design and development stages to integrating work-based elements, and innovative approaches to assessment are all factors that contribute to success.
- 3.13 The starting point is different for part-time and full-time Foundation Degrees. Part-time programmes are often studied by people in employment, undertaking the programme with their employer's support. The students come with work experience which continues as they proceed on the programme. The challenges here to the course designers and deliverers are:
- to use and build on that work experience
 - to accredit it for APEL purposes
 - to devise acceptable assessment styles and methodologies to integrate it into the overall assessment process.
- 3.14 Full-time programmes, even with good employer involvement, have to negotiate and construct the work-based learning part of the course. The result is likely to be greater variability in the student experience, in the nature of employer support and in the difficulties of integrating the work-based elements with the wider study. In both full-time and part-time courses there is a danger that the study-based elements will drive the learning objectives and outcomes, because that is the area where the academics have most control and expertise, and the work-based elements will be fitted into these objectives and outcomes. However, this is by no means inevitable, and from the QAA and other reports there are sufficient examples of good practice to learn from. It is important that all involved in Foundation Degrees are helped to improve their practice in this vital area.

"I have changed my job since I started the course and my work is not always relevant to my course topic."
YCL report

We reiterate the centrality of work-based learning to the Foundation Degree and recommend that the QAA Foundation Degree Qualification Benchmark continues to support authentic and innovative approaches to high quality work-based learning elements of Foundation Degree programmes. (Ref. 3-i)

“...I didn’t want anything to dictate how I spent my time. I wanted a course that I could fit in with my work life and my social life. I wanted to run the course rather than letting the course run me.” Helen, distance learning Foundation Degree in Business & Management, Leeds Metropolitan University and Bournemouth University

Sandra Heyworth, Foundation Degree student, is a sales manager at the County Hotel in Canterbury, a member of Macdonalds Hotels: *“The online delivery of the Foundation Degree is great – I am able to work and learn. My employer has been very supportive of my studies and I enjoy the course, especially the discussion boards facilitated by the online system.”*

We recommend that Foundation Degree Forward and the Higher Education Academy make advice, guidance and the dissemination of good practice on the integration of study-based and work-based learning and innovation in the assessment of work-based learning a priority activity. (Ref. 3-ii)

- 3.15 Employers have repeatedly told us that work-based learning is vital to the success of Foundation Degrees. As the number of Foundation Degree students grows it will become increasingly essential that employers back up these assertions by providing appropriate work-based learning opportunities, and that Foundation Degree Forward, the DfES and others continue to find ways of supporting them in this.

Distributed and blended delivery

- 3.16 Flexible delivery is an important factor in accessibility. This is particularly important for workforce development-oriented Foundation Degrees. At its simplest this means that study opportunities need to be provided where and when employees can best access them. In addition, large employers with offices across the UK may be looking for consistency of access for all their employees, wherever they are located.
- 3.17 To meet these needs some institutions have offered a variety of delivery mechanisms, on and off campus, from face-to-face tuition to print, audio-visual and electronic material. This was already evident in the QAA review of the first group of Foundation Degrees which identified “the use of online learning material, including virtual learning environments for the delivery of subject and study skills and learning support”, as an area of innovation and good practice. Since then there have been further examples of good practice, and Foundation Degree Forward will continue to identify and promote these.
- 3.18 Using a variety of learning technologies well can make for more effective learning, even where accessibility is not an issue. It is important, however – and this applies to all higher education and not just Foundation Degrees – that decisions about the use of technology be educationally and not technology-led. The question which has to be answered is not “what is the technology and how can we use it?”, but “what is the educational challenge and how can technology help us meet it?” The best cases show strong evidence of asking the right question and therefore coming up with appropriate answers.
- 3.19 One difficulty in using a distributed or blended delivery system is to find ways of connecting the range of institutions and employers required, especially SMEs. Successful innovation in the past has often relied on the leadership of a single institution using its contacts with a small number of employers. This has been the basis for rolling out the development to others. This is an area where Sector Skills Councils with their national sectoral reach covering all employers in their sector, big and small, Regional Development Agencies, and Foundation Degree Forward with its brokerage function, should be able to help.

We recommend that Sector Skills Councils, advised by Regional Skills Partnerships, and other relevant bodies, be proactive in identifying how distributed and blended delivery approaches might contribute to regional and national delivery of Foundation Degrees, and that Foundation Degree Forward offer to broker relationships between appropriate providers to facilitate such delivery. (Ref. 3-iii)

- 3.20 An additional issue for institutions is the up-front costs which are often associated with this form of delivery. There is a case for HEFCE considering how this might be reflected in the development costs awarded for this type of provision.

The role of consortia in delivering Foundation Degrees

- 3.21 Another important distinguishing feature of Foundation Degrees is the partnership and consortia arrangements which come together to design and deliver them. Employers are a central partner in consortia arrangements – their role is considered more fully in Chapter 5. We are pleased to note that the QAA *Overview Report* identified “the effective involvement of employers and employment related organisations to identify employment needs to assist in the design and content of the Foundation Degree” as a strength.
- 3.22 The other central partnership in consortia is between Higher and Further Education institutions. Here too, the QAA found good practice worthy of dissemination in five of the Foundation Degrees they reviewed. However, consortia-related quality concerns were identified in 13 programmes. These included concerns about approval, monitoring and review mechanisms, and particularly the need to ensure consistency of the quality of the curriculum and of its delivery across all sites.
- 3.23 These concerns about the variable quality of the student experience and outcomes arising from HE/FE partnerships on some Foundation Degrees mirror similar concerns which have been expressed in the past about other provision delivered through partnership. Clearly, some of the difficulties arise from inadequate processes which need continuing attention. From our discussions with institutions we believe that it is also in part a cultural issue of where ownership of the Foundation Degree lies. The staff who are perceived to ‘own’ the Foundation Degree, having designed and developed it, are better motivated than staff who ‘receive’ the curriculum and pedagogy as given, and are asked just to deliver it.
- 3.24 This difference in ownership perception can occur between different staff in the same institution. However, it is potentially more likely to occur in partnership arrangements where there is a dominant partner usually the higher education institution. An obvious answer is to ensure that partnerships are genuine, and in particular that Further Education institutions are treated as full partners in design, development and delivery. There are good examples on which to build.
- 3.25 The onus for ensuring that the partnership is genuine falls largely on HEIs, which are in a position to adopt the role of dominant partner through their degree-awarding powers. This is partly ameliorated where Further Education institutions are funded directly from HEFCE and therefore hold the power of the purse in negotiating with their validating partner. We believe there is benefit in Further Education colleges receiving direct funding for their Foundation Degrees and then seeking validation arrangements with willing universities.

We recommend that HEFCE consider increasing the proportion of Foundation Degree numbers being directly funded in Further Education colleges. (Ref. 3-iv)

- 3.26 Whether funding goes directly to an HEI which then negotiates with the FE partners their appropriate share, or is given direct to the Further Education college which negotiates a validation fee with their partner university, the question of the appropriate share or fee continues to be a vexed one. We know that guidance has been given in the past and that serious consideration has been given to issuing revised guidance for Foundation Degrees. The difficulty, as we understand it, is that the forms of partnership are so varied and the degrees of resource intensity between the partners so differentiated, that it is impossible to offer general guidance. That may be the case but we urge HEFCE and the LSC to continue their endeavours in this regard and to publish a code of practice on appropriate ways of resolving these issues.

We recommend that HEFCE and the LSC publish a code of practice on how institutions should deal with issues arising from relative income shares. (Ref. 3-v)

“We (the higher education institution) do not have a proper understanding of work-based learning, and don’t have the appropriate facilities to offer work-based learning to our students. We rely on the FE colleges to organise the work-based learning. FE colleges have better employer relationships set up, and therefore are better placed to arrange work placements.” YCL report

“In reality the FE institution acts as an ‘honest broker’, with limited ability to influence design of the Foundation Degree.” YCL report

“We are at the mercy of the validating institution.” YCL report

Summary

3.27 On the basis of the QAA *Overview Report* and the subsequent examples of good practice which have emerged, we believe that the design and delivery of Foundation Degrees have generally conformed to the characteristics originally set down. The close involvement of employers is particularly noteworthy. More problematic is the integration of the work-based and study elements of Foundation Degrees, where the experience has understandably been more variable so far. We believe that integration would be fostered by:

- support for innovative and authentic approaches to high quality work-based learning, with a strong employer input, sensitive to the subject and the employment sector;
- emphasis on the assessment and integration of work-based and study elements of the programme;
- Foundation Degree Forward and the Higher Education Academy making advice, guidance and the dissemination of good practice on assessment and integration a priority activity.

3.28 Distributed and blended learning have an important contribution to make to delivery, both in overcoming access and fostering more effective learning. However they are not a panacea, and decisions about their use must be driven by educational need not technological opportunity. One of the difficulties of creating distributed learning partnerships is to identify suitable partners – Regional Development Agencies, Sector Skills Councils, and Foundation Degree Forward could have an important brokerage role here.

3.29 Consortia and partnership arrangements between Higher and Further Education institutions are a central feature of Foundation Degrees. Given past experience, it is not surprising that the QAA review found variable performance in the effectiveness of relationships. In part it is a matter of improving approval and monitoring processes, but at its core is, we believe, a central issue of ownership perception. All institutions involved in a partnership must feel genuine partners. We believe HEFCE and the LSC should consider publishing a code of practice as a guide to institutions on good practice in this area.

Destination and progression

Introduction

4.1 Any qualification, but particularly a new one, must offer its graduates the prospect of a marketable outcome. This was recognised when Foundation Degrees were first introduced. The DfEE consultation paper published in 2000 emphasised “guaranteed arrangements for articulation and progression to honours degree courses” as a core component of the degree, and this is one of the defining characteristics of the QAA Foundation Degree Benchmark. The prospectus produced by HEFCE later in 2000 formalised and extended this by referring to “progression within work and/or to an honours degree”. This is specified in more detail as:

- There must be guaranteed articulation arrangements with at least one honours degree programme.
- Programmes must clearly state subsequent arrangements for progression to honours degree and to professional qualifications or higher-level NVQs.
- For those wishing to progress to the honours degree, the time taken should not normally exceed 1.3 years for a full-time student.

4.2 Progression to further study is only one way of using a qualification. It can also be used to obtain direct entry to a profession, or into a job or career or to obtain promotion. While these more direct employment benefits were not emphasised in the original documents, which were not in a position to lay down requirements to employers, they are becoming an increasingly important aspect of the attractiveness of Foundation Degrees, particularly for those in work.

Progression to further study

4.3 The QAA review of the early Foundation Degrees reported that “in the majority of programmes, arrangements for student progression to an honours degree are either in place or still under development, but only 12 reports (out of 33) highlight clear articulation between Foundation Degrees and honours degrees as a positive feature”. Furthermore, “12 reports point to the need for providers to clarify progression routes to honours degree programmes”. This is a disappointing conclusion about the degree of compliance by institutions with one of the core and most heavily publicised elements of the Foundation Degree.

4.4 The variability of institutional behaviour seems likely to be confirmed in the experiences of the first graduates from Foundation Degrees in summer 2003 (to be reported on by Professors Robertson and Yorke). While firm conclusions should not be drawn from what may be an unrepresentative sample, it should be possible to obtain a flavour of the variability of institutional behaviour.

4.5 One reason for this variability is that the Foundation Degree and the honours degree will have been developed separately, each with their own learning aims and outcomes. While historically this is understandable, with the honours degree having been introduced first and the Foundation Degree later, greater consistency and indeed integration should be possible in the future.

We recommend that in their regular reviews of their programmes, providers should plan Foundation Degrees and honours degrees together, ensuring integration and smooth progression from one to the other. (Ref. 4-i)

Jenny Probert, Head of City College Business School: *“This Foundation Degree should be highly attractive to anyone wanting a fast track to a management role in the financial sector. They will gain business and management skills and an understanding of the industry, with a particular emphasis on general insurance.”*

“For two fifths of students who responded their main hope as a result of completing their Foundation Degree is to gain an honours degree. For others, the motivation is to gain promotion at work (27%) and to gain new employment (21%).”
YCL student survey

“In the majority of programmes, arrangements for students’ progression to an honours degree is in place. An example at one HEI is that students can come back to complete an honours degree via eight top-up modules. This tends to be on a part-time basis as students tend to be in employment by then. As a result, they come back on a week-block basis over two years in order to complete their honours degree.” YCL report

- 4.6 It is important that wherever feasible each Foundation Degree pathway should have a clearly articulated progression to at least one relevant honours degree, either at the same institution or another one. Ideally credit accumulation and transfer arrangements should be robust enough to enable recognition of Foundation Degree qualifications across a range of institutions. However, we recognise that in some subject areas there is a Foundation Degree, but no suitable honours degree. Moreover, for many studying on part-time workforce development Foundation Degrees, progression to honours degree is not their primary goal. It is important that students receive accurate information on the career, professional and academic progression opportunities which are available for each Foundation Degree offered.

We recommend that all institutions offering Foundation Degrees make available to prospective students clear, accurate information on the career, professional and academic progression opportunities which are available for each Foundation Degree they offer. (Ref. 4-ii)

- 4.7 One practical factor which could inhibit progression to honours degrees is the lack of funded student number places. This could well be the case if growth is largely focused on Foundation Degree numbers. In this situation institutions will need to plan carefully their overall provision, possibly restricting their entry to non-Foundation Degree courses to enable places to be available in due course for students from Foundation Degrees to proceed to honours.
- 4.8 Notwithstanding the fact that many part-time students are more interested in the Foundation Degree as an end qualification in its own right, at least in the short term, it is important that the same opportunities for progression exist for them as for full-time students. There may be practical difficulties of attendance if progression is to a full-time honours degree, and a part-time equivalent may not exist or be financially viable. However, through skilful timetabling and the use of distributed or blended delivery, it should be possible to offer the final year of the honours degree in mixed mode form.

Progression to employment

- 4.9 The first full-time Foundation Degree graduates emerged in summer 2003, and it is too early for definitive evidence to emerge as to their destination. Both private and public sector employers should be encouraged to recruit graduates from full-time Foundation Degree courses to rewarding career pathways. A graduate from a focused, work-related, employment skills-oriented Foundation Degree may have as much, if not more, to offer an employer as a more general honours degree graduate. The evidence that Foundation Degrees lead to genuine career opportunities in their own right, as well as progression to honours degree, would have a major impact on demand.

We recommend that Foundation Degree Forward works with the Skills for Business Network and other employer bodies to support employers in identifying and developing rewarding career pathways for Foundation Degree graduates. (Ref. 4-iii)

- 4.10 Employers also have a major responsibility to their existing employees. Being partners in the design, development and sometimes the delivery of a Foundation Degree, and encouraging their employees to enrol on them, obliges them to ensure that there are career development opportunities available after graduation. We know that the major employers already involved in the pioneering Foundation Degrees are fully aware of this issue, but it is important that it is taken on board by all employers.

Professional qualifications

- 4.11 Progression into a profession is another potentially important route for Foundation Degree graduates, and there are encouraging signs that this is happening in a number of areas. For example, the General Dental Council is actively considering the suitability of an appropriate Foundation Degree as an entry route to professions complementary to dentistry. The Chartered Institute of Personnel and Development is looking at the potential of Foundation Degrees in its professional area. The Association of Chartered Certified Accountants (ACCA) is investigating the possibility of an Accounting Technician Foundation Degree, while the Institute of Chartered Secretaries and Administrators is developing the use of a Foundation Degree either as an entry into work as “Assistant Company Secretary”, or onto further study leading to the full ICSA qualification.
- 4.12 We believe that professional recognition is an important area of development for Foundation Degrees and that Foundation Degree Forward should play a role in this work.

We recommend that Foundation Degree Forward works with both individual professional bodies and the UK Inter-Professional Group to promote memoranda of understanding to support the recognition of Foundation Degrees as a route to entry to relevant professions. (Ref. 4-iv)

Summary

- 4.13 A Foundation Degree qualification potentially offers its holders a range of destinations – progression to honours degree; direct entry to employment; career development within employment and partial or full exemption from further study for entry into a profession. For this potential to be realised it will be important that:
- institutions offer prospective students clear, accurate information on the career, professional and academic progression opportunities which are available for the Foundation Degrees they offer;
 - employers develop rewarding career pathways for Foundation Degree graduates with the support of Foundation Degree Forward and the Skills for Business Network;
 - Foundation Degree Forward works with both individual professional bodies and the UK Inter-Professional Group to promote memoranda of understanding to support the recognition of Foundation Degrees as a route to entry to relevant professions.

Stephen Marsh, learning and development consultant at Marsh (Risk and Insurance Services):
“This is a very exciting package of academic and work-based experience that can launch the career of a young person. The Foundation Degree is a qualification in its own right, but very significantly the course designed by City College should result in an award of the Diploma of the Chartered Insurance Institute.”

The Management of Tourism and Hospitality Foundation Degree originated when the Kent Tourist Alliance approached Canterbury Christchurch University College and Canterbury College, requesting the development of a course that would up-skill those in the industry. The institutes matched this need with a Foundation Degree.

“The more recent Foundation Degrees tend to be designed differently ... They are thus more custom built for employers and carry more employer involvement in the design. Employers can help the institution make the academic content more relevant to real work-related issues and vice versa.” YCL report

“At one institution, employers were involved in the initial discussions about the design of a particular Foundation Degree. Their involvement came to an end as a result of employers “arguing amongst themselves” over the course content, which meant that negotiating with them became problematic.” YCL report

Chapter 5

Employer engagement

Introduction

- 5.1 Employer engagement is at the heart of what makes the Foundation Degree distinctive. Understanding what this deceptively succinct expression can and should mean has been a major focus of the Task Force’s discussions with stakeholders. The complexity flows from the interplay between the diversity of employers and employment sectors, and the diversity of potential students. Moreover, there are a number of stages in the life cycle of a Foundation Degree in which employers, individually or through their representative bodies, can become involved. A Foundation Degree should have employer engagement in all of these phases but it may or may not be the same players at each stage.
- 5.2 Consideration of the permutations leads to a number of desirable or acceptable models. Their feasibility has then to be examined in the light of demands they place on employers and on providers, and the implications for the quality of the students’ learning experience. Here we first look at each phase where employers can be involved, and then draw out the associated challenges.

Engagement in development and design

- 5.3 Development of a Foundation Degree should reflect evidence of employer demand for the skills it will develop. There are a number of ways in which employers can contribute, directly and indirectly, to identifying the present and anticipated skills needs. Employers might identify a specific need and approach the HE/FE sector to design a tailored Foundation Degree to address the need. This might be a large employer with a local skills shortage or workforce development need, or a national employer such as the NHS seeking a suite of Foundation Degrees as part of a major workforce development initiative. But HE providers will also be interested in more general analyses of skills needs. A number of organisations contribute to mapping such needs. It is expected that Sector Skills Councils will bring forward situations, in relation to national skills gaps or shortages in their sector, that suggest the need for a Foundation Degree. Regional Skills Partnerships are charged with aligning the work of the key agencies in each region, including the Regional Development Agencies, Small Business Service, local Learning and Skills Councils, Jobcentre Plus and the Skills for Business Network, and are responsible for articulating the region’s skills priorities. HE and FE sectors have a seat at the table, but information on skills needs is not necessarily a routine starting point for course planners.

We recommend that Foundation Degree Forward regional staff, in conjunction with HEFCE, develop and implement a strategy for improving awareness among academic staff of the role of Regional Skills Partnerships, Sector Skills Councils and other relevant bodies. (Ref. 5-i)

- 5.4 Labour market intelligence and skills needs assessments, whilst an important underpinning for developing Foundation Degrees, is only the first stage of the employer contribution. The expectation is that the skills needs of employers and the economy, and where appropriate the requirements of professional bodies, will also inform the detailed design of the programme of study. In many occupational sectors the Sector Skills Councils are developing frameworks for Foundation Degrees which will help course designers to incorporate the relevant national occupational standards and to set learning outcomes that address the needs of the sector. Individual employers or groups of employers locally may then work with the academic providers in fleshing out the framework to fit particular circumstances.

If there is no sectoral Foundation Degree Framework, HEIs will be even more dependent on input from local employers to their course planning teams. However, they will need to be imaginative in the ways they seek to generate that input, particularly when dealing with SMEs.

Engagement in delivery and assessment

- 5.5 Once a course has been designed and validated, there are a wide variety of ways in which employers can be involved in its delivery and assessment. Chapter 3 has already discussed the different approaches to providing learning through engagement with work. Some of these models require employers to support and manage the learning opportunities for their staff as they progress through a programme of study. Some require them to do something similar for students on work placements. But other models recognise that, in certain specific circumstances – for instance where health and safety or licence to practice requirements prevent it – learning through engagement with work may happen away from the workplace. In state of the art facilities on campus, students may work on real projects and problems supplied by local employers. Staff from industry may contribute as visiting lecturers.
- 5.6 A distinctive characteristic of the Foundation Degree is that learning through engagement with work is formally assessed and contributes to credit. This requires appropriately structured learning opportunities and a rigorous approach to assessing the outcomes. We noted in Chapter 1 that while HEIs may be familiar with work experience in vocational programmes, they are generally less familiar with the practicalities of assessment and accreditation of work-based learning, and employers are generally unfamiliar with academic assessment. Between them they need to draw on each other's strengths to devise and use appropriate ways of assessing the desired outcomes.
- 5.7 Of possible help with this is the Ufl Learning Through Work project. **learnirect** has worked in partnership with a range of universities and colleges to offer a tailored approach that helps to agree learning objectives, plan how learning will meet these, and capture evidence of learning achievements. This can be particularly helpful for employers who would like a tailored programme for a group of staff. At the moment Learning Through Work offers a range of recognised higher education qualifications, ranging from undergraduate certificates, honours degrees and even postgraduate degrees and doctorates, but does not yet include any Foundation Degrees.

We recommend that Foundation Degree Forward, drawing upon the HE Academy, the Skills for Business Network, the Business Links, Chambers of Commerce and other business support organisations as appropriate, should identify and disseminate good practice in supporting employers in the management and assessment of work-based learning. (Ref. 5-ii)

Supporting students and employing Foundation Degree graduates

- 5.8 A critical dimension of employer engagement lies in some combination of supporting students through a Foundation Degree programme, employing Foundation Degree graduates, and building Foundation Degrees explicitly into recruitment and workforce development strategies. Sometimes there will be strong incentives. For example, in discussions with the Task Force, employers have expressed interest in the scope for Foundation Degrees to address recruitment difficulties in shortage areas by enabling them to “grow their own” local talent. This may be particularly attractive to SMEs.

Keith Page, head of Learning and Development Services at Norwich Union: *“We feel it offers people a fantastic opportunity to spend two years working and earning money and a qualification that’s really relevant to the work they’ve been doing. What’s more, at the end of the course, because they will be coming into the business on a full-time basis with a relevant qualification, excellent experience and contacts within Norwich Union, they could well be ready to make a quick move into a team management or project role.”*

But there are considerable differences in commitment of money and human resources between: sponsoring potential employees on full-time pre-employment Foundation Degrees; offering well-designed and formally assessed work-based learning opportunities for full-time students; supporting an employee on a day release or distance learning programme; and supporting employees studying for an entire qualification through a programme of learning based in the workplace and integrated into job design and career development.

Issues

- 5.9 The various facets of engagement described above pose considerable challenges for employers, which can be broadly categorised under ‘capacity’, ‘capability’ and ‘cost’. A repeated theme in our discussions with employers is that it must be clear to them where the benefits of engagement lie if they are to be persuaded to tackle the challenges.
- 5.10 **Capacity:** Those we have spoken to acknowledge that there may be questions about the capacity of individual employers in a given instance as well as about the capacity of a sector to support the development needs of its workforce. Although capacity issues vary from sector to sector and between employers of different sizes, there are particular challenges for SMEs. More widely, there is the question of whether employers in general have the capacity to engage meaningfully with Foundation Degrees as they grow, alongside many other initiatives also trying to draw in employer engagement across the education and training spectrum. The issue of multiple demands on employers needs addressing at departmental and government level. We understand that the DfES Board has begun the process of improving its approach to employers but that this is at an early stage.

We recommend that the DfES and DTI give higher priority to developing joined-up, employer-focused approaches to engaging employers in workforce development and in the development of higher-level skills. In particular they should avoid ‘product push’ and ensure that the starting point is employer need. (Ref. 5-iii)

- 5.11 **Capability:** The QAA review of Foundation Degrees commented unfavourably on the variability of work-based learning experience and the extent to which learning in the work environment was both appropriately integrated into the curriculum and assessed at an appropriate level. There may well be questions of capability on the part of course design teams if work-based learning is unfamiliar to them. However, employers will need robust workforce development policies and skilled ‘mentors’ or managers to support learners through programmes and ensure adequate learning opportunities. Depending on the expertise in the employing organisation, there may be a need for access to training for mentors and assessors.
- 5.12 It is important to keep sight of the fact that Foundation Degrees are academic qualifications, even though aspects of learning are developed through work. The nature of assessment is therefore different from the competency approach used in NVQs. The QAA noted that there is limited employer engagement in assessment so far, and urges caution in ensuring that, as employers are brought into the assessment process, the professional expertise of academic staff and employers are appropriately balanced.
- 5.13 **Cost:** At a minimum, employer engagement requires a time contribution from the employer, but the scale and scope of that commitment can vary enormously. Engagement may also incur direct costs for student fees, and there are costs associated with backfilling and with mentoring.

We think there is scope for more work to be done on costing the contribution of employers to inform the funding arrangements agreed between provider and employer partners. We have heard of examples of Foundation Degree programmes which run in both provider-based and employer-based versions and the fee arrangements reflect the differing contributions.

5.14 We have also heard from employers who are already engaged with Foundation Degrees about the benefits they are reaping. **Benefits** may include:

- reduced recruitment costs;
- improved retention of employees;
- filling skills gaps;
- up-skilling frontline staff and middle managers to help drive a change agenda and so stay ahead of the game;
- improved motivation and performance.

In encouraging employers to get involved in developing Foundation Degrees it is essential that institutions, sectoral bodies, Regional Development Agencies, and Foundation Degree Forward are able to explain the business benefits in a simple and straightforward way. It has also been suggested that some large employers would find benefits from designing a Foundation Degree around their existing in-house training and development programmes exclusively for their own employees, although there are no examples yet. In these circumstances the course would operate outside public funding arrangements. We say more about this approach in Chapter 6, which looks at funding issues.

We recommend that Foundation Degree Forward should prepare a simple, one-page note setting out the business benefits of getting involved in Foundation Degrees, supported by a number of case studies illustrating particular benefits already being experienced. This note should form part of a common core communication used by all key bodies involved in promoting the uptake of Foundation Degrees. (Ref. 5-iv)

“In order to support work-related learning, and to oversee the relevance of course content, an industry stakeholder group has been set up. This consists of employers who will have the privilege of paying reduced course fees, in return for providing opportunities for students to learn in the workplace” YCL Report

Chapter 6

Funding

Introduction

6.1 Foundation Degree provision is publicly funded by HEFCE. However, the funding process is complicated by the partnership and consortia arrangements through which provision is designed and delivered. The central role of employers adds another dimension to funding arrangements. The key questions are whether funding levels and processes stimulate or depress demand and supply, and how might the situation be improved.

Funding arrangements

6.2 The public funding of Foundation Degrees differs from other undergraduate provision in three respects:

- Currently, HEFCE applies an additional weighting of 10 per cent for every Foundation Degree student that institutions enrol. This is intended to reflect the additional resources required for a more diverse and non-traditional student cohort, and to support partnership arrangements.
- Foundation Degree graduates doing a bridging course before completing the final year of an honours degree are weighted at 1.3 to reflect the extra activity associated with the bridging course.
- Where HEFCE allocates specific additional numbers for Foundation Degrees, it may provide development funds to cover start-up and partnership arrangement costs.

6.3 Foundation Degree students contribute to funding by paying fees, and are treated no differently to other undergraduate students. Full-time students currently have the same fee levels. Part-time fees are de-regulated, although HEFCE makes an assumption about the fee in calculating the resources per student it provides.

6.4 The central role of employers in the design, development and delivery of Foundation Degrees has led in many cases to their making a contribution to funding. Often this takes the form of paying the fees of their employees enrolling on part-time Foundation Degrees. There are also examples of employers funding bursaries on full-time Foundation Degrees and of course employers provide significant resource support through various work opportunities.

6.5 The distribution of HEFCE funding that is agreed between the respective Higher and Further Education partners has sometimes been contentious – an issue we commented on in Chapter 3. There is wide variation in practice in the proportions going to the different partners. However, this reflects wide variations in the respective resource burdens in different situations. Where the partnerships are well established there are few disagreements and they are resolved speedily and amicably. In other cases, however, acquiescence rather than agreement among the partners is the norm, accompanied by an undercurrent of complaint. We have recommended in Chapter 3 how HEFCE and the LSC might deal with this issue by publishing a code of practice.

“Two-fifths of students responding used their own funding. This is followed by employer contributions (36%), student loans (18%) and bursaries (11%).”
YCL student survey

Funding and fees

- 6.6 We believe there is a strong case for Foundation Degrees to receive a larger differential of funds per student each year compared with other undergraduate provision. The partnership arrangements, which are a core characteristic, and which involve not only developing and sustaining relationships between education providers, but also with employers, Sector Skills Councils, Regional Development Agencies, LSCs and other agencies, are resource intensive. Moreover, these resources are required not only at the development stage but on an ongoing basis.
- 6.7 Foundation Degree provision frequently requires innovatory curricular and pedagogic development. The student body is more diverse and often needs more learning support. Providing effective learning from work with the help of employers is also resource intensive. Finally, there is evidence that in these early years of Foundation Degree development, where inevitably some risks in offering provision must be taken, the average cohort size is smaller than for other undergraduate provision, which also pushes up unit costs.
- 6.8 For all these reasons we believe that there should be greater public funding support per student from the DfES and HEFCE for Foundation Degrees over the next few years. The precise nature of this support is a matter for debate, and we know that HEFCE is currently reviewing its funding methodology.

We recommend that HEFCE should consider the following:

- A higher weighting per full-time-equivalent student should continue to be applied to all enrolled Foundation Degree students.
- The weighting should be increased from its current figure to reflect the additional resource costs of Foundation Degree provision.
- The level of development funds should be increased and their role and purpose reviewed. (Ref. 6-i)

- 6.9 The fee régime for full-time students will change in 2006 as a result of the provisions of the Higher Education Act – institutions will be free to charge a maximum of £3,000 for a full-time course. In the earlier part of our work, while the Bill was being formulated, we considered whether there was merit in seeking a lower maximum fee for Foundation Degree students. One argument in favour is that it would give a price advantage to the Foundation Degree and make it more attractive to some students. We came to the view that this policy would not be wise. A lower price might be misinterpreted as reflecting lower quality and an indication of lack of confidence in the degree rather than cost-effectiveness. In particular, we feel it is not appropriate for this to be determined by regulation. Universities and colleges themselves might wish to set fees for Foundation Degrees which are below the maximum, for competitive reasons, as they might do for their other provision. They should not be forced to do so by legislation.
- 6.10 We also considered whether the student support arrangements for Foundation Degree students should be more generous than for other students. Partly for the reasons given in the previous paragraph, but also because during the course of the Bill's consideration in Parliament the general student support arrangements became more generous and comprehensive, we decided that no special arrangements for Foundation Degree students were needed.

- 6.11 The part-time fee arrangements are a little more complex – partly because they are unregulated, and also because there are many ways in which students could be supported. Employers are involved in many aspects of Foundation Degrees, and, where they encourage and support their employees enrolling on these courses, they might be expected to contribute towards paying their fees. We recognise that employers' commitment to Foundation Degrees is much wider, and is shown through their participation in the design, development, delivery and work-based elements and we would not want this commitment to be weakened by an overemphasis on a greater financial contribution. However, expenditure on training can be offset against corporation tax. Furthermore, contributing to the fees of their employees on part-time Foundation Degree courses and offering bursaries to support students on full-time courses would constitute a significant contribution by employers to the co-financing of provision designed to improve the skills base of their organisations.

We recommend that employers offer support for their staff on Foundation Degrees by contributing to their fees, and also provide bursaries to students on relevant full-time courses. (Ref. 6-ii)

- 6.12 A wide variety of other agencies are involved with Foundation Degrees. These include Regional Development Agencies, Sector Skills Councils and Learning and Skills Councils. Their interests are different, ranging from ensuring Foundation Degrees meet regional skill needs, or national skill needs in particular sectors, to providing appropriate progression and linkages with level 3 qualifications. These roles include some obligation to provide funding to enable Foundation Degrees to meet their particular interests. There is welcome evidence that Regional Development Agencies in particular are providing financial support in a variety of ways.

We recommend that all agencies increase their financial support which, if carefully targeted, could help them ensure that Foundation Degrees better meet their particular needs. (Ref. 6-iii)

- 6.13 The existing policy on access to HEFCE funding means that employers will pay the full cost of a Foundation Degree course (and of other higher education provision) where it is a 'closed course', limited only to their employees. In some cases the higher education institution provides an accreditation 'wrapper' to modules and training programmes designed and delivered by the employer, usually on its own premises. In other cases the programme is specifically designed for the employer. We see no argument for changing this policy. The employer is receiving a private benefit not available to others and should pay the full cost. Indeed there is potential for developing more 'private' Foundation Degrees for large public and private sector organisations.

We recommend that providers be proactive in seeking the development of fully-funded Foundation Degrees. (Ref. 6-iv)

- 6.14 It has been put to us that there are courses which are nominally open to all but which in practice are delivered to a single employer. If this is the case, it is an issue of wider impact than Foundation Degrees, and if HEFCE believes it is of significance it should investigate the matter.

- 6.15 A more difficult case which has been drawn to our attention is in sectors of the economy where there is a limited number of major employers, and where there is support for a Foundation Degree to which all employers might subscribe. However, issues of competitive confidentiality and a preference for company-specific rather than sector-generic education and training, inhibit this co-operation. At the same time no single company feels strong or enthusiastic enough to commission a full-cost tailored Foundation Degree.

We do not believe the rules should be changed to cover this situation. Instead, we believe it is ideal territory for the relevant Sector Skills Council to broker an arrangement which could meet all needs. There could for example be a degree designed with generic elements, supported by public funding, and company-specific elements supported by private funding.

We recommend that Sector Skills Councils encourage the development of mixed sector-generic and company-specific Foundation Degrees, with the appropriate sources of funding, where this is relevant to the needs of their sector. (Ref. 6-v)

Summary

6.16 We believe that funding would better support the development of Foundation Degrees if:

- there was a measured increase in public funding per student, by the DfES and HEFCE – this might be achieved by increasing the weightings for Foundation Degree students and increasing the size and scope of development funds;
- employers provided financial support for their staff on Foundation Degrees by contributing to their fees and also offered bursaries to students on relevant full-time courses;
- agencies such as Sector Skills Councils, Regional Development Agencies and Learning and Skills Councils increased their financial support, carefully targeted to ensure that Foundation Degrees met their particular agency's needs;
- providers were more proactive in seeking the development of fully-funded Foundation Degrees;
- Sector Skills Councils encouraged the development of mixed sector-generic and company-specific Foundation Degrees with both public and private funding contributions where this was relevant to the needs of their sector.

Chapter 7

Quality and quality assurance

Introduction

- 7.1 We referred in Chapter 3 to the Quality Assurance Agency's 2003 review of Foundation Degrees, in particular to its observations on the design and delivery of the courses. In this chapter we take a broader look at quality and quality assurance issues.
- 7.2 Quality can be defined and measured in many different ways. Where consumers and potential consumers are well informed and where purchases are made regularly, the market is often a good indicator of quality. If people value their experience they will return. Education, particularly higher education, and especially Foundation Degrees at this early stage, do not meet well the criteria of well informed consumers and regular purchase. Popularity – or indeed, unpopularity – is not necessarily an indicator of quality.
- 7.3 Much intellectual energy is expended in distinguishing between quality and standards. We do not intend to do likewise here. However, while the two are often used interchangeably, there is some benefit in making the distinction where appropriate:
- standards refer essentially to a level of attainment.
 - quality refers to the learning process, in the broadest sense, by which standards are attained.

Quality Assurance Agency

- 7.4 The Quality Assurance Agency (QAA) was established in 1997 as a development from previous organisations. It defines its responsibilities as “to safeguard the public interest in sound standards of higher education qualifications, and to encourage continuous improvement in the management of the quality of higher education” and seeks to achieve this “by reviewing standards and quality, and providing reference points that help to define clear and explicit standards”.
- 7.5 It is therefore not surprising that HEFCE commissioned the QAA to review the early Foundation Degrees, and in particular to:
- investigate the distinctive features of the programme reviewed, and whether the programme is likely to meet the standards of a Foundation Degree award;
 - establish the quality of the student learning experience;
 - contribute to the evaluation of the Foundation Degree award.
- 7.6 The review covered 33 programmes and 3,089 students, with slightly more full-time than part-time. It concluded that reviewers had confidence in the emerging academic standards and the quality of learning opportunities in 30 out of the 33 programmes. We regard this as a positive outcome for a new qualification with many innovative features, developed and introduced by many institutions in some haste. We would expect to see some improvement as institutions and their staff gain more experience of operating Foundation Degrees, so that in future any expressions of lack of confidence become isolated exceptions.

- 7.7 One of the ways in which the QAA “provides reference points that help to define clear and explicit standards” is by establishing benchmarks. The review it undertook in 2003 was related in part to the draft qualification benchmark for Foundation Degrees which it issued in 2002. It was preparing to issue a final version of the benchmark document as we were finalising this report. We have expressed the view to the QAA that the final version should be as close to the draft as possible with only minimal change.
- 7.8 What is important is not the precise specification of the benchmarks but how they are applied in the design and external review of courses. We are pleased to note that the QAA states that its:

“reference points differ fundamentally from rules or prescribed definitions. They provide the co-ordinates with which to map academic practice, not regulate it. By virtue of their nature and definition they can neither be applied in a mechanistic way, nor lead to compliance”.

These principles apply particularly to Foundation Degrees, which are both innovative and evolving. It is important that QAA reviewers are encouraged to interpret the benchmark guidelines broadly and in the spirit of the above quotation to allow for the variety of subjects and contexts in which Foundation Degrees are being provided. We note that the QAA has been commissioned by HEFCE to undertake a further review of Foundation Degrees in 2004/05.

We recommend that in its forthcoming 2004/05 review of Foundation Degrees, the QAA supports its reviewers to enable them to identify and encourage authentic and innovative high quality work-based learning. (Ref. 7-i)

- 7.9 It is understandable that in the early years of an innovatory programme there should be an emphasis on its meeting quality objectives. The first QAA review is encouraging in that respect, and we would hope that the further review to be carried out in 2004/05 will reinforce this positive impression. If it does so, there seems no reason why Foundation Degrees should be treated differently from other provision in the QAA’s quality assurance processes. Indeed, there could be clear negative implications if this does not happen. Introducing special reviews other than in a start-up period indicates an activity on probation, or with prima facie difficulties. This is not the case with Foundation Degrees.

We recommend that if the forthcoming QAA review of Foundation Degrees judges that overall a satisfactory quality performance is being achieved, then Foundation Degree provision should be integrated with other provision as part of the QAA institutional audit process. (Ref. 7-ii)

Degree awarding powers

- 7.10 From their inception it was decided that Foundation Degrees could only be awarded by institutions with taught degree awarding powers – essentially universities and a number of major higher education colleges. The reasons are understandable. Foundation Degrees are intended to be an intermediate award which is integrated into the honours degree system through progression arrangements. Restricting the power to award the Foundation Degree to those who already had the power to award honours degrees would signal an emphasis on standards, foster the close relationship between the two qualification levels and raise the status and standing of the intermediate qualification. These are all positive arguments in favour of maintaining the criterion of degree awarding powers.
- 7.11 However, there are less positive consequences of this arrangement. Many Higher and Further Education institutions have extensive experience of offering intermediate HE qualifications. These qualifications are awarded by bodies such

as Edexcel and accredited by the Qualifications and Curriculum Authority (QCA). The prime examples are, of course, the HND and HNC, but there are many others. Institutions offering these qualifications have a great deal of experience of delivering, if not designing, workforce development and part-time provision. Yet they are unable to award the Foundation Degree, which is pitched at the same level as some of these other qualifications.

- 7.12 Of course the emphasis on partnership means that most of these institutions are in fact delivering the whole or part of a Foundation Degree in collaboration with a university. So it may be argued that there is very little difference in practice from what would be happening if degree awarding powers were not required. In reality, the relationship is a very different one and is not always one of equal partnership. HEFCE has addressed some of these difficulties by directly funding some providers without degree awarding powers, but the authority relationship remains.
- 7.13 Another consequence of the insistence on degree awarding powers is the lack of a national Foundation Degree award. All universities and some colleges have the power to award undergraduate degrees, and in 2003/04 there are 70 Higher Education institutions and 46 Further Education colleges funded to run the Foundation Degree award. This provides for a great deal of diversity, which is very welcome – but it also means, as we have heard from some employers, that an employer cannot be sure that the Foundation Degree course in the same subject in one university will impart the same skills and capabilities as a similarly named course in a different university. This is, of course, also true of honours degrees. In some cases this concern may simply indicate a preference for the national element of an HND or HNC award. When the Sector Skills Councils begin to exert their influence more strongly, they should be able to create a set of Foundation Degree frameworks, linked to National Occupational Standards, for their sector, which will help to provide greater national harmonisation. The professional bodies can also play a positive role in this respect.
- 7.14 Edexcel have tried to fill this perceived gap for a national perspective by introducing arrangements with the Universities of Northumbria and Greenwich. This would enable non-degree awarding colleges to partner these two universities in providing a BTEC Foundation Degree. However, there seems to have been quality assurance and financial obstacles to progressing this development.
- 7.15 Restricting the authority to award the degree to those with degree awarding powers is seen to provide a guarantee of quality in the early years, but the argument becomes difficult to sustain as Foundation Degrees become embedded in the system. No other intermediate qualification in the UK is similarly restricted, and it does not apply in other countries. For example, in the USA the associate college two-year degree programme flourishes without the need for the four-year college to provide validation. It is recognised, however, that the structure of US undergraduate education is different from that in the UK.
- 7.16 University validation of the Foundation Degree is important for progression arrangements. It is doubtful if many universities would recognise the 240 credit points at the intermediate level for progression to the final year of the honours degree if they were not intimately involved with the design and quality assurance of the provision. However, as we have indicated in Chapter 4, there may be particular circumstances in which progression is less important. For example it may well be that there are some Foundation Degrees, in subject areas where no honours degrees currently exist, where the primary object is workforce development rather than progression. Students on these Foundation Degrees might see them as an end qualification in their own right. Nevertheless the availability of progression remains important.

- 7.17 The arguments are persuasive in favour of either approach. However, we believe that there is a case for exploring the possibility of a wider range of choice. In due course it might be appropriate to consider a pilot scheme to allow the QCA to accredit one or more of its awarding bodies to award part-time Foundation Degrees focused on meeting workforce development needs. One of the important criteria will be to ensure that this does not damage the integrity and standing of Foundation Degrees within the qualifications framework.

We recommend the DfES to consider carefully the possibility of allowing QCA, in due course, to accredit one or more of the awarding bodies to award part-time Foundation Degrees in specific vocational areas, as a pilot experiment. (Ref. 7-iii)

Role of professional bodies

- 7.18 We have already emphasised the role of professional bodies in stimulating the demand for Foundation Degrees and in ensuring progression to appropriate professional qualifications. To ensure that the potential for these developments is realised, the professional bodies have to be assured that the Foundation Degree provides a sound basis for further study and training, or for direct entry to their profession. Inevitably, therefore, they become involved with quality assurance.
- 7.19 This involvement will mirror their participation in the quality assurance of honours degrees for the same purposes. Therefore many of the issues which are likely to arise are already known. The most common, at least from the point of view of providing institutions, is the burden of assessment – with two or more bodies separately visiting to assess the same activity virtually for the same purpose. There have been determined attempts by the QAA and other quality assurers to reduce this burden in recent years. However, logistics and occasionally territorialism mean that the outcome has not been as effective as it might have been.

We recommend that QAA, professional bodies and other agencies work co-operatively to ensure that their different quality assurance needs can be met through a single process. (Ref. 7-iv)

Accreditation

- 7.20 With degree awarding powers, the institution itself guarantees the quality and standard of the provision. The question has arisen as to whether some external assurance of quality is required. The QAA provides that assurance for any courses they review. However, even in the special reviews, only a sample of courses is included. In the general institutional audit process, which we are recommending should be applied to Foundation Degrees after the 2004/05 review, the sample is even smaller and is part of any general subject review. Moreover, accreditation might cover a wider range of objectives and criteria than just academic quality. It could, for example, relate also to employer involvement or progression arrangements.
- 7.21 In fact the Universities Vocational Awards Council (UVAC) introduced a voluntary accreditation process for its members (some 50 universities and colleges) soon after Foundation Degrees were introduced, and some have seen some benefit in taking advantage of this. We discuss the role of Foundation Degree Forward (FDF) in the next chapter. It has many important functions, such as disseminating best practice and carrying out brokerage. We would not encourage it to get involved with accreditation. Apart from the resources needed to carry out and monitor this function, given its semi-official status as a creation of HEFCE, the question will be raised as to whether, if FDF is offering the service, accreditation is voluntary or compulsory. We believe that it should remain a voluntary activity for institutions to determine.

7.22 As Foundation Degrees develop, other agencies such as Sector Skills Councils or professional bodies may seek to play an increasing role in accreditation. We would urge a degree of caution here. Clearly any course which wishes to be recognised by a professional body needs to satisfy its requirements. The Sector Skills Councils are in a different category. They represent one of the partners in the design and delivery of Foundation Degrees. Their modus operandi is one of partnership, and we have already suggested a number of ways in which that partnership relationship might be developed and strengthened. Too strong an emphasis on quality assurance could inhibit the relationship and lose the benefits which genuine partnership can bring.

We recommend that institutions be left to decide for themselves, based on their assessment of benefit against cost, whether they wish their Foundation Degrees to be accredited by an outside agency. (Ref. 7-v)

Summary

7.23 The early QAA review provides encouragement that Foundation Degrees are meeting the challenging quality objectives set for them. Inevitably, in the early years of such an innovatory programme there is still room for improvement. We hope that the second QAA review to be carried out in 2004/05 will indicate that improvement continues and that overall there is confidence in the academic standards being achieved. If that is the case, it would be appropriate for Foundation Degrees to be integrated with other provision as a normal part of the QAA's institutional review process.

7.24 In assuring the quality of provision there needs to be both an emphasis on standards and an encouragement to flexibility, which any innovative programme requires. We believe these dual objectives can be achieved if:

- the QAA benchmark guidelines are interpreted flexibly;
- the DfES considers whether some workforce development part-time Foundation Degrees might be awarded under the authority of the QCA as a pilot experiment;
- the different quality assurance bodies harmonise their arrangements to minimise the burden on institutions;
- the accreditation of Foundation Degrees by outside agencies continues as a voluntary activity determined by the market.

Supporting success

Introduction

- 8.1 As we have seen in earlier chapters, the Foundation Degree cuts across a number of agendas and organisational boundaries. It engages with the skills agenda and with the widening participation agenda. It cuts across the further and higher education interface. It is responsive to employers' needs at local, regional and national levels. This positioning across multiple boundaries is what gives the Foundation Degree its potential as an agent for change in the higher education curriculum. It is why those who have engaged with the Foundation Degree find it such an exciting opportunity. However, as we have described, it poses significant challenges. The need for a robust infrastructure to support the continued success of Foundation Degrees is clear.
- 8.2 Fortunately, the breadth of the Foundation Degree's scope means that there are already organisations and partnerships in place with the power and potential to contribute to its success. A number of these bodies play a part in identifying skills needs or in planning for the provision of relevant education and training (eg. LSC and Regional Skills Partnerships). Other organisations are concerned with course design or the student experience (eg. the subject networks of the HE Academy) or excellence in higher education teaching. The University Vocational Awards Council (UVAC) offers accreditation and recognition of higher education programmes, with the aim of adding value to their currency with employers in the sectors concerned. The Council of Validating Universities supports good practice in collaborative provision between validating institutions and other delivery partners.
- 8.3 In addition to the existing arrangements, the DfES, through HEFCE, has established Foundation Degree Forward with the specific remit to promote and support good practice in developing Foundation Degrees. Foundation Degree Forward has in turn established a team of regional development managers, who will be located with existing regional bodies.
- 8.4 Many of the people we have interviewed have commented on the scope for confusion in this seemingly overcrowded arena. It is important that the richness of the potential support is appropriately brought together, and that the scope for duplication is minimised – and that the newly established Foundation Degree Forward really does add value. In the remainder of this chapter we look briefly at:
- what we believe the infrastructure needs to support
 - the contribution of some of the key players
 - the specific role of Foundation Degree Forward.

What is needed?

- 8.5 We have devoted separate chapters to funding and to quality assurance. In addition, the infrastructure needs to support:
- sector skills analysis and access to labour market intelligence
 - prioritisation and allocation of resources
 - employer engagement

“The relationship with the Business Link (which has an office on the university site) has been a big help to the recruitment of businesses to all aspects of the Foundation Degree.” YCL report

- progression routes into Foundation Degrees
- promotion of Foundation Degrees to potential students
- design of good quality Foundation Degree products
- staff development for good quality Foundation Degree provision – for Further and Higher Education tutors and for employer ‘mentors’ etc.

How can it be supplied?

8.6 Taking the first three of these together (**skills analysis, resource allocation and employer engagement**), we have argued that a pre-condition for success is that Foundation Degrees must be responsive to the demands of the economy and of employers, and that they actively engage employers in the broadest sense. The infrastructure exists to help bring these things about, but it requires a cultural change in relation to HE curriculum planning and development. The recent Additional Student Numbers bidding round was in effect an experiment in making allocations against criteria linked to such responsiveness and to a regional distribution. It involved a number of regional players under the umbrella of Regional Advisory Groups (RAGs). HEFCE have reported to their Board on some of the lessons learned and the tensions associated with the implicit planning function in this approach.

8.7 The partnerships already in place at national, regional and local level for delivering workforce skills priorities are outlined below:

- At national level, the LSC leads an alliance of delivery partners – including the Sector Skills Development Agency, Higher Education institutions and Further Education colleges, CBI, Institute of Directors and so on – to define and address the issues for national skills policy.
- At regional level, the Regional Development Agencies have brought together the Regional Skills Partnerships, and the LSC is leading – in partnership with its key planning and funding partners, Business Links, Sector Skills Councils, Jobcentre Plus, LEAs and the RDAs at regional and local level – a coherent programme of jointly planned investment in skills through delivery partners, the FE colleges and other providers.
- In each region the Regional Skills Partnerships bring together the voices of demand by employers and sectors, and their representative bodies, with the key planning and funding partners for skills, led by the LSC as the funder of almost all adult learning outside the HE sector. Their task is to:
 - identify and prioritise employment and skills issues which affect the region
 - ensure that the funding bodies have appropriate advice so that they can target their investment in education and training (capital and revenue) in the key sectors for the economy of the region (sector skills agreements and CoVEs) and can plug any gaps in vocational progression routes that become apparent during Strategic Area Reviews (StARS)
 - demand even higher standards for Further Education colleges’ quality and responsiveness to business

- train and assist business advisers to guide employers through buying the services they need (there are well developed models of brokerage and work in train to develop employers' guides to good training)
- promote free training for low-skilled people (the NE and SE regions are piloting a 'level 2 offer' which includes fee remission, an adult learning grant and free guidance for all adults who do not have a full level 2 qualification).

8.8 HEFCE announced on 3 June 2004 its intention to collaborate with its national, regional and local partners on a Lifelong Learning Network initiative. This aims to bring Higher Education institutions and Further Education colleges together with other partners across a city, area or region, in order to offer new vocational progression opportunities for vocational learners. It is essential that any future Lifelong Learning Networks, and Foundation Degree Forward, take their appropriate place among the groups listed in paragraph 8.7.

We recommend that clear roles and responsibilities for the organisations that support Foundation Degree consortia be agreed at the local level (e.g. through the StAR Stakeholder Group), at the regional level (through the Regional Skills Partnership) and for England (through Foundation Degree Forward). (Ref. 8-i)

- 8.9 We suspect that there is also a need to extend awareness, beyond HE and FE staff whose roles specifically engage them with strategic partnerships regionally and sub-regionally, to lecturers who design and develop the curriculum at a very local level within their university or college. HEFCE, the LSC and Foundation Degree Forward regional development managers are well placed to create or strengthen the necessary links between providers and regional agencies at the appropriate operational level. Foundation Degree Forward is already forging links with the HE Academy and, where relevant, is working with the CETLs. It should contribute to ensuring that they have appropriate knowledge and expertise at local and regional levels (see recommendation in Chapter 5).
- 8.10 Turning to **progression routes, promotion and design**, the issues differ between Foundation Degrees targeted on the development of a specific workforce and those aiming to be more widely accessible. The local and regional agreements recommended above will include the roles of Connexions and IAG partnerships, with whom Foundation Degree Forward is working, in promoting Foundation Degrees to individuals, and those of the business support agencies in promoting them to employers. We focus here on the issues principally as they relate to younger potential Foundation Degree students in schools and colleges or on vocational programmes such as apprenticeships, who are looking to progress to higher education or for career and professional development.
- 8.11 Their opportunities will be enhanced by the existence of (physically) accessible Foundation Degrees with a curriculum specifically designed to enable transition from a wide range of level 3 qualifications. The pool of vocationally-qualified young people who currently do not progress directly to higher education, coupled with the Further Education sector's expertise in vocational education, means that the sector is well placed to contribute. There may be very good links with employers, and these are likely to be strongest if the college is a Centre of Vocational Excellence (CoVE) or has achieved other accreditation for its employer focus. The potential to build upon the strengths of the CoVE and work-based learning (apprenticeship) network to secure partnerships with the HE sector for progression appears not to have been fully exploited yet.

It will be important to ensure coherence at local and regional level with the LSC's programmes of planned revenue and capital investment in networks of FE and work-based learning provision designed to improve progression from level 2 to level 3.

- 8.12 The anticipated recommendations of the Tomlinson review and the relaunch of the Apprenticeship will set an agenda for HE course designers and, coupled with the recommendations of the Schwarz review on fair admissions, may pose new challenges for HE admissions tutors. Some parts of the HE sector are already geared up to respond to this, but others are less familiar with the territory it opens up. It is clearly within Foundation Degree Forward's remit to promote good practice in design, and we are pleased to note that they are already drawing on the HE Academy Subject Centres and the appropriate Centres for Excellence in Teaching and Learning (CETLs) to help in this promotion. Foundation Degree Forward should also draw on existing expertise and experience in design and development of higher-level vocationally-oriented qualifications – not least that offered by UVAC and City & Guilds. Both these bodies are among the stakeholder organisations represented on the Foundation Degree Forward Management Board.

We recommend that the HE Academy promotes training and development for admissions tutors and Foundation Degree developers. (Ref. 8-ii)

- 8.13 Lastly, we consider support for **staff development**. For any qualification, the quality of the experience for the learner, and the achievement of appropriate standards, is heavily dependent on the expertise of the staff responsible for the students' learning opportunities. In the case of the Foundation Degree, this includes not only staff in higher and Further Education institutions but also staff in the employer organisations who contribute to work-based learning. There is an infrastructure to support the relevant development of higher education staff – the HE Academy, CETLs – but access to it is patchy for FE staff delivering higher education programmes. Moreover, since the Foundation Degree is new and experience of it still relatively limited, there will be a need to ensure that the Academy is knowledgeable about Foundation Degree issues. In Chapter 5 we noted the need to develop capacity within employer organisations to support – and assess – higher learning (as distinct from higher competence).

We recommend that Foundation Degree Forward promotes good practice in collaborative staff development in FE/HE partnerships and in relation to training and development for employer-based partners. (Ref. 8-iii)

The role of Foundation Degree Forward

- 8.14 Foundation Degree Forward clearly has a particular place in the infrastructure. It was established during the autumn of 2003 and has been funded for the three years until 2006 in the first instance. Its strategic aims are set out in Annex G. It has a management board that includes a wide range of key stakeholders, including employers (see Annex G). Its capacity to add value derives in part from its ability to make good use of what the management board members already have to contribute.
- 8.15 Foundation Degree Forward has already begun to make a contribution. It held its first national conference in July (attracting over 400 delegates) and has produced two editions of its journal, *Forward*. It has put in place arrangements to offer a validation brokering service for Further Education colleges which wish to use it. It has run a number of seminars to disseminate the lessons learned from the QAA Overview Report and is working with Sector Skills Councils in developing Foundation Degree frameworks appropriately aligned to QAA expectations.

Moreover, HEFCE has asked Foundation Degree Forward to work with providers who have been allocated student numbers and development funds in the recent bidding exercise.

- 8.16 Foundation Degree Forward will be taking forward much of the work, started by the DfES in recent years, related to stimulating Foundation Degree development and employer engagement. It will undertake new work in identifying good practice, gathering qualitative information about Foundation Degree activity, and brokering validation partnerships where this service is needed. In this latter role it has the expertise, for instance, of the Council of Validating Universities and the arrangements available through the UVAC and City & Guilds networks, as well as drawing on other members of the FDF Management Board.
- 8.17 The representation of so many relevant stakeholders on the management board, and the regional structure and presence reflected in the appointment of regional development managers, provide every opportunity for Foundation Degree Forward to add significant value to the establishment of Foundation Degrees. As Foundation Degree Forward succeeds in its mission to grow and embed high quality Foundation Degrees then, in due course, we would anticipate that other parts of the infrastructure will increasingly incorporate Foundation Degree good practice in their mainstream thinking. HEFCE plan to evaluate the contribution of Foundation Degree Forward in the winter of 2005/06.

We recommend that HEFCE and the DfES use the outcome of the evaluation due to take place in 2005/06 to inform future funding decisions for Foundation Degree Forward. (Ref. 8-iv)

“Health Ministers have made a commitment whereby anyone who has worked for the NHS for five years and does not possess a professional qualification can follow a learning pathway towards a Foundation Degree. NHSU is leading work with its partners to make a reality of this commitment.” NHSU

Chapter 9

Looking to the future

Introduction

- 9.1 Foundation Degrees have had a good start over these first three years. Some 24,000 students are enrolled in the current year, with around 800 courses offered in over 100 Higher and Further Education institutions. Many of the major public and private sector employers are engaged with the degree through design and delivery and more directly through their employees' participation. The initial quality assurance reviews have been encouraging. Throughout the country there are enthusiastic groups of students, employers and providers valuing and seizing the opportunities for innovation which Foundation Degrees provide. Given the challenges the award faced when it was introduced, the extent to which it has established itself is a significant achievement.
- 9.2 Many questions remain unanswered. It is too early to say, for example, whether the actual career or future study destinations of Foundation Degree graduates will meet their expectations. There are differences of view over whether Foundation Degree enrolments are simply substituting for the decline of the HND or are generating increased demand. The early figures are also inconclusive over the extent to which Foundation Degrees are contributing to the Government's widening participation objectives.

The changing context

- 9.3 Foundation Degrees do not operate in a vacuum, but in the context of fast-changing education and training policies. For example, since David Blunkett first announced the introduction of Foundation Degrees in 2000, and particularly in the last 18 months, there has been a range of policy initiatives, which will have an influence and impact on their development. They include the following:
- the establishment of Sector Skills Councils since 2002
 - the Further Education and training strategy published in 2002
 - the 14-19 education strategy published in 2003 and the follow up Tomlinson review
 - the higher education White Paper published in 2003
 - the skills strategy White Paper published in 2003
 - the review of Apprenticeships published in 2004.

Sector Skills Councils

- 9.4 Under the guidance of the Sector Skills Development Agency, Sector Skills Councils are independent organisations developed by groups of employers in different sectors of the economy. Their key role is to provide leadership for strategic, targeted action to meet their sector's skills, workforce development and business needs. In the first stage of development, six trailblazer Sector Skills Councils were established – covering the audio-visual, environmental and land-based, oil, gas, chemicals and petroleum, apparel, footwear and textiles and retail sectors. A number of others have followed, including retail motor; construction; information and communications technology; electricity; gas; waste management and water; financial services; food and drink manufacturing; hospitality, leisure, travel and tourism; science, engineering and manufacturing technologies; health; justice; freight logistics; leisure; and building services engineering.

- 9.5 Sector Skills Councils should be able to identify skills gaps and strategies in their sector, consider how they can be reduced, and help improve the supply of learning opportunities. Through sector skills agreements they can bring together employers and suppliers of education and training. In addition, they play a key role ensuring that occupational needs are reflected in the development of national occupational standards. In all these ways they can have an important influence on the demand, supply and content of Foundation Degrees relevant to their sector.

Further Education and Training and 14-19 strategy

- 9.6 The November 2002 publication, *Success for All*, focused on improving student performance in Further Education and training. Its main impact on our work is the groundwork it prepared for two major initiatives in 2003: the review of 14-19 education and the publication of the skills strategy.
- 9.7 A major focus of the 14-19 reforms set out in January 2003 is the attempt to improve the high quality vocational options available to all students, with clear progression routes to skilled employment, further and higher education. To develop longer-term changes, a working group on 14-19 reform was established in March 2003 under the chairmanship of Mike Tomlinson. This produced an interim report in February 2004 and will report finally in the autumn of this year.
- 9.8 The key components of the reforms which impact on our work are:
- making work-related learning a statutory requirement for all 14 to 16-year-olds from September 2004, and enterprise education a statutory requirement for the same age group from September 2005;
 - establishing GCSEs in vocational subjects with clear progression routes to further and higher education;
 - a diploma framework at different levels accompanied by transcripts of student performance;
 - a reformed apprenticeship system linked to the diploma framework.

Higher Education Strategy

- 9.9 The white paper, *The Future of Higher Education*, was published in January 2003. The commitment to Foundation Degrees is reiterated both in the chapter on employer involvement and the chapter on higher education expansion. It is further emphasised in the recent DfES Five Year Strategy. However, the impact of the White Paper on the development of Foundation Degrees goes beyond the specific references. As we have argued, the new fee arrangements, the requirements of OFFA, the general support for increased employer participation and the strengthening of regional partnerships could all have an impact on the demand for and supply of Foundation Degrees.

Skills Strategy

- 9.10 The White Paper on a skills strategy, *21st Century Skills: Realising our Potential*, was launched in July 2003. It focused on skills below the higher vocational level and concentrated more on developing a more integrated approach to what already exists, rather than developing new initiatives. However, it included a commitment to providing increased support for level 3 qualifications in areas of sectoral or regional skill priority.

"Four Sector Skills Councils have been developing pathfinder Sector Skills Agreements (SSAs). These will provide a vehicle for employers to identify their skill and productivity needs, the action they will take to meet those needs and how they will collaborate with providers of training and education. Foundation Degree Forward has helped consider how SSAs can influence the design, development and delivery of vocational courses in HE." DfES Sector Skills Team

Apprenticeships

- 9.11 In May this year Charles Clarke announced radical reforms to the Apprenticeship system, consistent with the general changes to 14-19 education referred to earlier. Apart from a change of title from Modern Apprenticeships to the simpler Apprenticeships, the main change is the introduction of 'young apprenticeships' for 14 to 16-year-olds. This will allow pupils to spend up to two days a week in the workplace learning a trade. Apprenticeship qualifications will be integrated with the new 14-19 diploma. Advanced Apprenticeships will be available at level 3, with the opportunity to progress onto Foundation Degrees. Apprenticeships will also be available to adults and not restricted to people under 25.

Impact of the changing context

- 9.12 Some of these policy changes will influence future demand for Foundation Degrees. In particular, the changes to 14-19 education will, if successful, raise the status of vocational qualifications at level 3 and increase significantly the numbers obtaining them. For these students, progression to a Foundation Degree, either part-time or full-time, will be attractive, and it is hoped that in due course this will be regarded as the norm. The reform of the Apprenticeship system will have a similar although possibly less dramatic impact. The importance of a NQF level 5 route to higher qualifications through Foundation Degrees will enhance the attractiveness of Apprenticeships. As we have already pointed out the changes to fee regulation and the requirements of OFFA may impact on demand and supply by making Foundation Degrees more attractive to both students and providers.
- 9.13 However, there will be significant time delays before many of these influences can take effect. The increased fee and OFFA arrangements will come into existence in September 2006. We have already referred to anecdotal evidence that institutional behaviour is beginning to change. It is conceivable that the increased fees could begin to influence student choices in the admissions cycle beginning in September 2005. The changes to 14-19 education are on a longer timescale. The Tomlinson group is due to report in autumn 2004 and envisages a 10-year programme of reform. The impact of these changes, when implemented, will manifest itself in more students coming through the school and Further Education system with level 3 vocational qualifications, but numbers are unlikely to be substantial much before the end of the decade.

The scale of future provision

- 9.14 The future demand for Foundation Degrees over the next few years is difficult to predict. However, we know from work commissioned by the Sector Skills Development Agency (SSDA) of projections of employment by occupation up until 2012, that demand for graduate labour, particularly at the associate professional level, is likely to increase significantly. In the period between 2002 and 2012, a total of 6.8 million new job openings are expected to arise in occupations which are a major source of graduate employment – just over half of the 13.5 million total expected new jobs.
- 9.15 We also know from feedback from employers, providers and business support organisations that there is a growing interest in the potential to develop Foundation Degrees to meet skill shortages at the associate professional/higher technician level. This is particularly the case in the public sector – for example in health, education, children's services, law and order, the armed forces, and central and local government. There is also growing interest that has been identified following our work looking at demand with professional bodies – for example in dental services, library and information professionals, personnel and development professionals, veterinary nursing, engineering, and the churches.

- 9.16 The Government has also been investing in the infrastructure to support the development of Foundation Degrees in the private and public sector, through its work in Higher and Further Education institutions, Sector Skills Councils, Regional Development Agencies and Foundation Degree Forward.
- 9.17 The pattern of growth stimulated by additional student numbers, development funding and promotion is likely to result in 50,000 full-time-equivalent Foundation Degree students by 2005/06. We see no reason, given the projected demand and the support measures that are in place, why this level of growth should not be more than replicated in the period up until 2010. The Task Force would support the aim of working towards at least 100,000 full-time-equivalent Foundation Degree students by 2010. To make this a reality will require the Government and HEFCE to find ways, within the resources available, to enable this to happen.

We recommend that the Government and HEFCE should find ways, within the resources available, to work towards at least 100,000 Foundation Degree places by 2010. (Ref. 9-i)

The way forward

- 9.18 In many respects the most difficult stage of introducing Foundation Degrees has been completed. A new seed has been planted in difficult terrain. It has overcome frosty weather, and through careful nurturing and watering has begun to grow and flower. It is still vulnerable to attack but is perhaps even more at risk from over-inspection and fussiness about its rate of growth. What is needed now is patience and a sustained and systematic policy environment focused on long-term development. The Foundation Degree is a perennial, not a bedding plant. It needs to be nourished, not regularly dug up!
- 9.19 In the previous chapters we have identified the various actions which we feel are required to provide this nourishing, sustained and systematic policy environment.

Conclusion

- 9.20 Foundation Degrees have made a successful start. The challenges they faced when announced in 2000 and introduced in 2001 were formidable. Yet in most cases these challenges have been met. There are enthusiastic students, staff and employers around the country benefiting from and energised by the experience. Some challenges still exist, and we have identified them in this report and suggested how they might be addressed. However, the difficult first stage is over. It is now time for the next stage of development which will embed Foundation Degrees into the structure of higher education qualifications and make them a growing and permanent part of the landscape.

Annex A: Recommendations

Recommendation	For	Ref.
That the DfES awareness- raising campaign be continued and deepened until at least 2006/07 as set out in paragraph 2.9.	DfES	2-i
That public sector employers, including central government, act as exemplars for the contribution which Foundation Degrees make to recruitment and workforce development.	Government, Employers	2-ii
That Sector Skills Councils take a prominent role with employers, particularly SMEs, to build awareness of the contribution of Foundation Degrees to the skills needs of the sector and hence stimulate demand for them.	SSCs	2-iii
That the LSC continues to support Centres of Vocational Excellence and the wider FE sector, in using their relationships with employers to stimulate demand for Foundation Degrees.	LSC, FE Institutions	2-iv
That Foundation Degree Forward supports providers in working with Regional Skills Partnerships to develop Foundation Degrees that respond to higher-level skill needs in the English regions.	FDF	2-v
That HEFCE encourages Further and Higher Education institutions to recruit to Foundation Degrees through its planning and funding support.	HEFCE	2-vi
That the DfES, HEFCE and the LSC continue to give priority to improving progression from Apprenticeships to Foundation Degrees in response to employers' needs.	DfES, HEFCE, LSC	2-vii
That Lifelong Learning Networks have a clear strategy for growing proportions of Foundation Degree provision.	HEFCE	2-viii
That Foundation Degree Forward takes the lead in working with professional bodies and the relevant Sector Skills Councils in developing and promoting Foundation Degrees as a way of meeting skills shortages in professions.	FDF	2-ix
That the QAA Foundation Degree Qualification Benchmark continues to support authentic and innovative approaches to high quality work-based learning elements of Foundation Degree programmes.	QAA	3-i

That Foundation Degree Forward and the Higher Education Academy make advice, guidance and the dissemination of good practice on the integration of study-based and work-based learning and innovation in the assessment of work-based learning a priority activity.	FDF, HE Academy	3-ii
That Sector Skills Councils, advised by Regional Skills Partnerships and other relevant bodies be proactive in identifying how distributed and blended delivery approaches might contribute to regional and national delivery of Foundation Degrees, and that Foundation Degree Forward offer to broker relationships between appropriate providers to facilitate this delivery.	SSC, FDF	3-iii
That HEFCE consider increasing the proportion of Foundation Degree numbers being directly funded in Further Education colleges.	HEFCE	3-iv
That HEFCE and the LSC publish a code of practice on how institutions should deal with issues arising from relative income shares.	HEFCE, LSC	3-v
That in their regular review of their programmes, providers should plan Foundation Degrees and honours degrees together, ensuring integration and smooth progression from one to the other.	HE & FE Institutions	4-i
That all institutions offering Foundation Degrees make available to prospective students clear, accurate information on the career, professional and academic progression opportunities which are available for each Foundation Degree they offer.	HE & FE Institutions	4-ii
That Foundation Degree Forward works with the Skills for Business Network and other employer bodies to support employers in identifying and developing rewarding career pathways for Foundation Degree graduates.	FDF, SSDA, SSC Employer bodies	4-iii
That Foundation Degree Forward works with both individual professional bodies and the UK Inter-Professional Group to promote memoranda of understanding to support the recognition of Foundation Degrees as a route to entry to relevant professions.	FDF, Professional bodies	4-iv
Foundation Degree Forward regional staff, in conjunction with HEFCE, develop and implement a strategy for improving awareness amongst academic staff of the role of Regional Skills Partnerships, Sector Skills Councils and other relevant bodies.	FDF & HEFCE	5-i
That Foundation Degree Forward, drawing upon the HE Academy, the Skills for Business Network, the Business Links, Chambers of Commerce and other business support organisations as appropriate, should identify and disseminate good practice in supporting employers in the management and assessment of work-based learning.	FDF	5-ii

That the DfES and DTI give higher priority to developing joined-up, employer-focused, approaches to engaging employers in workforce development and in the development of higher level skills. In particular they should avoid 'product push' and ensure that the starting point is employer need.	DfES, DTI	5-iii
That Foundation Degree Forward should prepare a simple, one-page note setting out the business benefits of getting involved in Foundation Degrees, supported by a number of case studies illustrating particular benefits already being experienced. This note should form part of a common core communication used by all key bodies involved in promoting the uptake of Foundation Degrees.	FDF	5-iv
That HEFCE should consider the following: <ul style="list-style-type: none"> • The higher weightings per full-time-equivalent student should be applied to all enrolled Foundation Degree students. • The weighting should be increased from its current figure to reflect the additional resource costs of Foundation Degree provision. • The level of development funds should be increased and their role and purpose reviewed. 	HEFCE	6-i
That employers offer support for their staff on Foundation Degrees by contributing to their fees, and also provide bursaries to students on relevant full-time courses.	Employers	6-ii
That all agencies increase their financial support which, if carefully targeted, could help them ensure that Foundation Degrees better meet their particular needs.	All Agencies	6-iii
That providers be pro-active in seeking the development of fully-funded Foundation Degrees.	HE & FE Institutions	6-iv
That Sector Skills Councils encourage the development of mixed sector-generic and company-specific Foundation Degrees with the appropriate sources of funding where this is relevant to the needs of their sector.	SSC	6-v
That in its forthcoming 2004/05 review of Foundation Degrees the QAA supports its reviewers to enable them to identify and encourage authentic and innovative, high quality, work-based learning.	QAA	7-i
That if the forthcoming QAA review of Foundation Degree judges that overall a satisfactory quality performance is being achieved, then Foundation Degree provision should be integrated with other provision as part of the QAA institutional audit process.	HEFCE, QAA	7-ii

The DfES considers carefully the possibility of allowing QCA, in due course, to accredit one or more of the awarding bodies to award part-time Foundation Degrees in specific vocational areas, as a pilot experiment.	DfES	7-iii
That QAA, professional bodies and other agencies work co-operatively to ensure that their differing quality assurance needs can be met through a single process.	QAA, Professional bodies	7-iv
That institutions be left to decide for themselves, based on their assessment of benefit against cost, whether they wish their Foundation Degrees to be accredited by an outside agency.	HE & FE Institutions	7-v
That clear roles and responsibilities for the organisations that support Foundation Degree consortia be agreed at the local level (e.g. through the Regional Skills Partnership) and for England (through Foundation Degree Forward).	FDF, RSPs	8 -i
That the HE Academy promotes training and development for admissions tutors and Foundation Degree developers.	HE Academy	8-ii
That Foundation Degree Forward promotes good practice in FE/HE partnerships and in relation to training and development for employer-based partners.	FDF	8-iii
That HEFCE and the DfES use the outcomes of the evaluation due to take place in 2005/06 to inform future funding decisions for Foundation Degree Forward.	HEFCE, DfES	8-iv
That the Government and HEFCE should find ways, within the resources available, to work towards at least 100,000 Foundation Degree places by 2010.	Government, HEFCE	9-i



Annex B: Foundation Degree Task Force

Terms of reference – agreed 4 July 2003

Purpose

To advise Ministers and the Department on:

- 1) Future strategy to implement the Government's plans for Foundation Degrees as set out in The Future of Higher Education, in particular:
 - the national policy, funding, promotion to employers and the national, regional and local framework necessary to make Foundation Degrees a success
 - how best to ensure that Foundation Degrees secure employer involvement in initial design, ongoing review, delivery and outcome
 - promoting wide access for both full and part-time students
 - on arrangements that will ensure Foundation Degrees deliver a high quality, vocational education to students.
- 2) The focus and content of a prospectus to be published in autumn 2003, to articulate and promote the Foundation Degree framework.

Task Force members

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* Names in brackets represent Task Force members who have been succeeded by the current member

Annex C: Glossary

This section offers a guide to the acronyms used in this document.

ACCA	Association of Chartered Certified Accountants
AoC	Association of Colleges
APEL	Accreditation of Prior Experiential Learning
BTEC	Business and Technology Education Council
CATS	Credit Accumulation and Transfer Scheme
CBI	Confederation of British Industry
CETL	Centre of Excellence in Teaching and Learning
CIHE	Council for Industry and Higher Education
CoVE	Centre of Vocational Excellence
CPD	Continuing Professional Development
CVU	Council of Validating Universities
DfES	Department for Education and Skills
Dip HE	Diploma of Higher Education
DTI	Department for Trade and Industry
FD	Foundation Degree
FDF	Foundation Degree Forward
FE	Further education
FECs	Further education colleges
FHEQ	Frameworks for Higher Education Qualifications
FRESA	Framework for Regional Employment and Skills Action
FT(E)	Full-time (equivalent)
GCSE	General Certificate of Secondary Education
HE	Higher education
HEFCE	Higher Education Funding Council for England
HEIs	Higher education institutions (universities and higher education institutions)
HNC	Higher National Certificate
HND	Higher National Diploma
HNs	Higher Nationals
LLNs	Lifelong Learning Networks
LSC	Learning and Skills Council
NOS	National Occupational Standards
NHS	National Health Service
NHSU	The NHS learning organisation for health and social care staff
NQF	National Qualification Framework
NVQs	National Vocational Qualifications
OFFA	Office for Fair Access
PT	Part-time

QAA	Quality Assurance Agency
QCA	Qualification and Curriculum Authority
RAGs	Regional Advisory Groups
RDA	Regional Development Agency
RSPs	Regional Skills Partnerships
SBS	Small Business Service
SMEs	Small and medium-sized enterprises
SSCs	Sector Skills Councils
SSDA	Sector Skills Development Agency
StARS	Strategic Area Reviews
TAs	Teaching assistants
TUC	Trades Union Congress
UCAS	University and Colleges Admission Service
UFI	University for Industry
UVAC	University Vocational Awards Council
WBL	Work-based learning
WFD	Workforce development
YCL	York Consulting Limited

Annex D: Task Force stakeholder consultation summary

Between January and March 2004 the Task Force circulated a number of questions electronically, to some three dozen organisations, each of which represented in some way either employers, further and higher education providers, or other stakeholders. The aim was to give Task Force members a sense of the issues that were of interest to these stakeholders. In some cases the organisation responded directly, in other cases they passed the questions on to their members some of whom then commented directly to us. We received responses from 22 stakeholders, ranging from answers to our specific questions through to extensive discussion papers. In this annex we present a summary of the comments we received, drawn together for us by York Consulting Ltd.

Foundation Degrees were **perceived** to:

- be flexible
- provide good opportunities for progression
- suit young people who know what occupation they want to do.

There were some **concerns** regarding:

- the discouraging effects related to funding
- convincing employers
- engaging Sector Skills Councils and other partners
- attracting school leavers
- the requirement to be in employment
- the focus on traditional part-time delivery
- perceived inadequate resources for staff.

Factors which may have **motivated** students to opt for Foundation Degrees include:

- flexible delivery
- a second chance for mature students
- to get a specific job
- career enhancement
- access to higher education
- ability to stay in work
- employer recognition
- the fact that it is shorter and cheaper than an honours degree.

There is a small amount of evidence that Foundation Degrees have attracted previously under-represented groups such as unqualified white males, mature students and people with non-traditional entry qualifications.

Factors which could **encourage participation** include:

- working with sector bodies
- local marketing
- employer incentives
- endorsement by professional bodies/Sector Skills Councils
- avoiding the 'clearing' route to Foundation Degree courses.

Major **causes of drop-out** were perceived to include:

- time commitment
- fitting study around work
- lack of confidence
- family commitments
- financial reasons
- lack of pre-entry guidance.

Factors to avoid drop-out include:

- comprehensive induction for non-traditional learners
- identification of learning commitments and responsibilities through the student contracts
- clarity of progression routes.

A key example of **flexibility** in the delivery of Foundation Degree provision is the use of e-learning and the APEL process. However, there were concerns that e-learning is under-used and that students may be resisting some e-learning approaches. There were concerns regarding the APEL process: it is time-consuming and not flexible enough.

A range of perceptions exist on **future demand**. Some respondents perceived it could be developed in any sector, while others felt that demand is weak, with low recognition and visibility of Foundation Degrees. Employers are seen as the major challenge in this regard.

Progression to honours degree is seen as very important to students, but is seen as a barrier to selling Foundation Degrees to smaller employers – with concerns about losing staff. There is a perception that some institutions are not promoting full career pathways and progression routes.

Issues to consider in setting the **fee levels** for Foundation Degrees include:

- proportionate funding compared to other awards
- costs associated with placements
- the non-standard nature of the student population.

The impact of the **student support arrangements** on Foundation Degree students was perceived as:

- to act as an incentive to individuals and employers
- risk of confusion among potential students
- concern about whether support will continue through to progressive qualifications.

Barriers which were seen to hinder **employer recognition** of Foundation Degrees include:

- awareness-raising
- expectations for work placements
- appropriateness of vocational content
- resources in SMEs to support Foundation Degree students
- lack of distinction between HNDs and Foundation Degrees

- employers' failure to see the business benefits.

It is too early for evidence that Foundation Degree students and graduates can help businesses become more productive.

Examples of **benefits employers are, or could be, deriving** from involvement in Foundation Degrees included:

- influence on course design
- links to their own CPD programmes
- links to higher education institutions
- ensuring programmes meet their needs
- not losing employees to full-time higher education
- less down time
- flexible delivery, addressing staff shortages and motivating staff.

Examples of **collaborative arrangements** have been seen between universities and FE colleges. Between business and academia there is some limited early evidence that Sector Skills Councils are starting to get involved.

Barriers to collaborative arrangements included:

- difficulties in persuading employers to become involved
- lack of higher education institutions working with sector bodies
- Regional Development Agencies and LSCs having limited experience of HE
- some feeling that Foundation Degrees appear supply-led.

Currently, competition does not appear to be hampering effective collaboration.

The impact of current **validation and funding arrangements** included:

- concerns about employer confusion
- concerns that more funding is required for promotion and development costs.

Ways to ensure **involvement from Regional Development Agencies and Sector Skills Councils** include consultation before Foundation Degree development and the encouragement of regional posts to develop knowledge and best practice of the higher education sector.

Steps to get **employers more involved** included:

- enhanced development funding
- involvement of the Sector Skills Council
- experience of employing Foundation Degree graduates
- further evidence that Foundation Degrees improve productivity
- other financial incentives such as tax credits.

Responsiveness of Foundation Degrees to the needs of employers requires maintenance of employer links, the identification of clear business needs, and the development of sectoral frameworks.

There are issues regarding **provider capacity and capability** – related to having staff with direct and relevant experience.

Lessons to learn from emerging **good practice** include ensuring vocational relevance and employer involvement, and early and effective collaboration between partners.

Ways to accommodate **large employers** who want to develop specific company Foundation Degrees include collaboration, involving Regional Development Agencies, Sector Skills Councils, higher education institutions and Further Education colleges. There were some concerns that Foundation Degrees should not become in-service training on the cheap.

Factors which contribute to an **effective work-based element** of the Foundation Degree programme include:

- involving a range of employers
- involving workplace managers as part of the course design
- placements focusing on learning outcomes
- managing students' expectations
- monitoring the learning experience
- respecting employer involvement and business needs
- mentor learning support
- good preparation.

Barriers to effective work-based learning include resource constraints, lack of commitment from employers and failure of higher education institutions to ensure the robustness of work experience modules.

The general view is that the **omission of work-based learning is not feasible** – it is a vocational programme and must have elements of work-based learning to make it worthwhile to employers. However, some criticism related to an overemphasis on work-based learning and not enough on work-related learning.

To make sure Foundation Degrees are recognised as a **qualification of quality**, the following were suggested:

- attention to transferable skills
- Regional Development Agencies and Sector Skills Councils to kitemark awards
- Foundation Degrees to be considered as a form of Advanced Apprenticeship
- ensure the same QA processes apply as for all HE awards
- ensure the curriculum is transparently underpinned by appropriate research and advanced scholarship
- provide links to career development.

The **rigour and robustness of quality assurance** of Foundation Degrees can be ensured by:

- matching honours programme approaches
- involving all stakeholders
- ensuring the programme links to national occupational standards.

The role of **Foundation Degree Forward** could be to:

- publicise the qualification
- link Sector Skills Councils and learning providers
- listen to employers and individuals
- establish minimum guidelines for work placements and employer engagement
- ensure the status of awards nationally and internationally
- disseminate best practice
- campaign to enhance the funding available
- provide a steer to development in new Foundation Degrees
- act as a voice of institutional policymakers.

There is a concern that their role in relation to QAA and validating bodies needs to be clarified.

Issues for **professional bodies** included:

- ensuring uniformity of standards
- greater involvement in programme development
- fast-track membership schemes for Foundation Degree holders.

Annex E

During the Task Force consultation process a range of written and oral comments were received from individuals and representatives associated with the following organisations.

Association of Colleges
 AstraZeneca
 Avenues Trust
 Bath Spa University College
 British Chambers of Commerce
 BT Group
 BP
 Council for Industry and Higher Education (BP, Engineering & Technology Board, PricewaterhouseCooper)
 Cogent SSC
 Cohort of West Midlands FE college principals
 Construction Industry Training Board
 Department of Trade & Industry
 Duchy College
 Energy & Utility Skills SSC
 e-Skills SSC
 Federation of Small Businesses
 Government Offices in the regions
 Health & Safety Executive
 Higher Education Funding Council for England
 HM Land Registry
 KPMG
 The Learning & Skills Council (national and local)
 Leeds Metropolitan University
 Leeds School of Art, Architecture & Design
 National Association for Teachers in Further and Higher Education
 Norwich School of Art & Design
 Modern Apprenticeship Taskforce
 Park Lane College, Leeds
 ProSkills SSC
 Police Skills and Standards Organisation
 Qualifications and Curriculum Authority
 Quality Assurance Agency
 St Martin's College
 Sector Skills Development Agency
 Skillfast SSC
 Skillset SSC
 Skillsmart SSC
 Sportscoach UK
 Staffordshire University
 Standing Conference of Principals
 Trinity & All Saints College
 University College Winchester
 University of Huddersfield
 University Vocational Awards Council
 Wimbledon School of Art

Annex F: Project on the evaluation of Foundation Degrees undertaken by York Consulting Ltd (YCL)

This project was commissioned to help the Task Force understand the nature of current Foundation Degree activity and pick up early signals on the extent to which the Foundation Degree is meeting, or might meet in due course, the objectives the DfES set out in *Foundation Degrees – Meeting the need for higher level skills*, namely:

- To contribute to the reduction in skill shortages at the associate professional and higher technician level by equipping students with a combination of technical skills, academic knowledge and transferable skills that are valued by employers and students.
- To expand the number and range of Foundation Degrees and contribute to widening participation by providing flexible and accessible progression routes for young people starting careers, those in employment, and those returning to work.
- To promote collaboration between employers, Regional Development Agencies, Sector Skills Councils, universities, and Higher and Further Education Colleges in developing Foundation Degrees.

Foundation Degrees – Meeting the need for higher level skills can be found on the DfES web site at www.dfes.gov.uk/foundationdegreereport/

The Task Force report was informed by YCL's final draft report. The full YCL report will be published in the early autumn 2004.

Annex G: Foundation Degree Forward

Mission statement

Working in partnership, Foundation Degree Forward will provide a national network of expertise to support the development and validation of high quality Foundation Degrees, driven by the needs of students, employers and other stakeholders, in the interests of enhancing economic, educational and social opportunities.

Strategic aims

Foundation Degree Forward has five strategic aims:

Aim one

- To establish a network of expertise in developing, validating and delivering Foundation Degrees to enhance opportunities for sharing good practice in all aspects of implementing the distinctive characteristics of the qualification.

Aim two

- Working in partnership with Sector Skills Councils, the Skills for Business Network and professional bodies, to contract and evaluate Foundation Degree frameworks that will represent sector employment requirements at strategic and generic levels.

Aim three

- Working in partnership with degree-awarding institutions, Further Education colleges and other relevant organisations, to establish a validation and quality assurance service as an option to support high quality Foundation Degree developments.

Underpinning these core strategic aims are two supporting aims:

Aim four

- To establish Foundation Degree Forward as an inclusive organisation that will work in partnership with all relevant agencies, institutions, organisations and interest groups to pursue coherent and co-ordinated strategic objectives in support of Foundation Degree provision.

Aim five

- To deliver our aims and objectives efficiently and effectively in ways that demonstrate accountability to stakeholders and funding bodies.

Management Board composition

Chair of Management Board – Dick Coldwell

Director of **Foundation Degree Forward** – Derek Longhurst

- **Membership (Observer Status)**

One designated representative from each of the following:

Department for Education and Skills
Higher Education Funding Council for England
Learning and Skills Council
Quality Assurance Agency
Qualification and Curriculum Authority

- **Employer representation**

At least four representatives, including one nominee from Council for Industry in Higher Education and one nominee from the Confederation of British Industry

- **Membership (Representative Status)**

One designated representative from each of the following:

Association of Colleges
City & Guilds
Council of Validating Universities
Edexcel
NHSU
Standing Conference Of Principals
Skills for Business
Universities UK
Universities Vocational Awards Council

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Annex H: QCA proposals for revised qualifications framework

This table shows how the revised National Qualification Framework (NQF) maps to the Framework for HE Qualifications (FHEQ).

	FHEQ		Revised NQF	Existing NQF
D	(Doctoral) Doctorates	8	Vocational diplomas	5 Higher levels
M	(Master's) Master's degrees, postgraduate certificates and diplomas	7	Key skills Vocational certificates and diplomas [NVQ 5]	
H	(Honours) Bachelor's degrees, graduate certificates and diplomas	6	Vocational certificates and diplomas	4 Higher levels
I	(Intermediate) Diplomas of Higher Education and Further Education, Foundation Degrees, Higher National Diplomas	5	Key skills Vocational certificates and diplomas [NVQ 4]	
C	(Certificate) Certificates of Higher Education	4	Vocational certificates and diplomas	
		3	Key skills Vocational certificates and diplomas A levels [NVQ 3]	3 Advanced
		2	Key skills Vocational certificates and diplomas GCSE (Grades A*-C) [NVQ 2]	2 Intermediate
		1	Key skills Vocational certificates and diplomas Basic skills GCSE (Grades D-G) [NVQ 1]	1 Foundation
		Entry level	Basic skills Entry-level certificates	Entry

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