Association of Colleges/SKOPE research on localism, Issues Paper Number 1

WHAT DO AREA REVIEWS TELL US ABOUT GOVERNMENT VIEWS ON THE NATURE OF LOCALISM AND DEVOLUTION?

Ewart Keep SKOPE Oxford University

Introduction

The earlier manifestations of localism in FE and skills policy were moves under the Coalition government to give City Deals and LEPs limited elements of influence over some aspects of post-19 skills funding and decision making. The Conservative government's decision to set in train a nationwide (England) review of post-16 FE and VI Form provision via a set of area reviews (ARs) provides a new arena for discussing and delivering localism, and given that institutional survival for many will be at stake it is liable to form the main priority and focus of activity for stakeholders at local level over the coming 18 months. As a result, the danger is that localism within the skills arena is liable to come to primarily mean high-risk, high-profile ARs and little else.

It is also already very apparent that by the end of the AR process the institutional map of provision in England will have been fundamentally redrawn – what is intended is a paradigm shift in the structure of provision rather than a set of limited incremental adjustments. Given its importance, what inferences might we glean about central government's conceptions of localism from the Department for Business, Innovation and Skills' guidance about why ARs are necessary, and how they should be conducted (H M Government, 2015)?

The rationale for area reviews

The central driving motivation for the government's move to undertake ARs is the need to restructure within a relatively short timetable the FE and VI Form College system to reflect severely diminished public funding. As BIS make clear, the overall aim of the exercise is to reduce the number of institutions and to achieve "significant net savings in the longer term" (H M Government, 2015: 11). Despite some references to the government's productivity agenda, it is clear that the over-riding impetus is to find ways to cope with the impact of past and impending cuts in government funding in ways that can mitigate some of the worst potential effects of reduced provision and at the same time help preserve some kind of rational pattern of courses at local and national levels. In other words, the central motivation for ARs is dealing with funding cuts rather than any strong inherent belief in the merits of localised planning of provision per se.

Area reviews - localism centrally dictated?

It can be argued that, at least as far as BIS are concerned, the view of localism encoded within their guidance on ARs is as follows:

- 1. ARs exist to outsource/devolve the planning and execution of a rationalisation of provision that is dictated by nationally determined and imposed funding cuts. Insofar as BIS is devolving power to localities, it is the power to decide where and upon whom the cuts will fall, rather than to have any influence whatsoever on the scale and timing of the cuts. At the same time, one of the side effects (intended or unintended) is that ownership of the blame/recriminations/consequent attendant upon the implementation of the cuts will now at least partially fall upon localities and those who conduct the ARs rather than upon central government. In other words, some of the political implications (with both a large and small 'p') are being devolved.
- 2. ARs offer the chance for government to try to externalise the financial consequences of a centrally imposed restructuring of the system. The intention is that LEPs and Local Authorities (LAs) should find the money to cover the costs of any adjustments in provision, including those relating to closures, redundancies, and the reconfiguration of institutions and their estates. Central government and its agencies should bear the expense of these changes only as a very last resort. Given existing and impending cuts in funding to LAs, this appears a slightly fanciful expectation.
- 3. ARs give localities the power to restructure the institutional pattern of provision, but only within a relatively tightly defined and centrally determined 'design blueprint', the central feature of which is the implementation of a new institutional hierarchy. This is intended to operate with Institutes of Technology (ITs) at the apex, underpinned by National Colleges (NCs), with General Further Education Colleges (GFE) and VI Form Colleges left to sweep up that proportion of residual lower level demand for which public funding remains available. This new institutional hierarchy has been invented by central government, and is now to be imposed via the AR process on localities without any prior consultation.
- 4. ARs offer localities the opportunity to design the local delivery of national, centrally determined targets, primarily the objective of 3 million apprenticeship starts by 2020.
- 5. ARs offer the ability for localities, within very constrained budgets, to make adjustments to student volumes, levels and subject areas to meet perceived future local needs.

Overview

The overall impression that comes across from reading the government's (2015) guidance on the conduct of ARs is that the fundamental balance of power between the central and the local is not intended to change to any great extent. The power relationships embedded in the process remain firmly within the traditional top-down mould (Keep, 2006 and 2009), whereby ministers and central government make the key decision and set the overall parameters within which action can occur – in this case overall spending levels and the process model for undertaking ARs. The element that is new is that localities and stakeholders therein get to undertake (with scant resources) the messy and difficult task of imposing at local level a new, centrally specified system architecture, and also take the brunt of whatever problems and adverse reactions this policy generates.

As noted at the outset, the danger is that devolution and localism in the field of skills policy comes to be seen almost entirely as consisting of the AR process as this is liable to be the highest profile manifestation of localism over the coming months. If this does prove to be the case, then much of the potential for productive change that is embodied in localism will be lost.

Plainly, the AR process has to be addressed and the best possible outcomes that the circumstances permit generated, but above and beyond ARs there is a much broader set of questions and issues that will need to be confronted that concern how local learning systems can be created, how institutions can learn to work collaboratively to enhance provision and the outcomes it generates, and how new forms of accountability can be developed that can help to shift the balance of decision-making power away from central government (Hodgson and Spours, 2015). If localism is to fulfil its potential, then a policy model that provides far greater room for bottom-up thinking is going to be needed. One of the aims of the Association of Colleges/SKOPE project on localism is to provide a 'space' beyond ARs within which such thinking about localism can take place, and to probe the deeper long term potential and implications of localism for FE.

References:

H M Government. 2015. *Reviewing post-16 education and training institutions: guidance on area reviews*, London: H M Government.

Hodgson, A. and Spours, K. 2015. 'The future for FE colleges in England: The case for a new postincorporation model', in A. Hodgson (ed.), The Coming of Age for FE?, London: Institute of Education Press, pages 199-219.

Keep, E. 2006. 'State Control of the English VET System – Playing with the Biggest Trainset in the World', *Journal of Vocational Education and Training*, Vol. 58, No. 1, 47-64.

Keep, E. 2009. 'The limits of the possible: shaping the learning and skills landscape through a shared policy narrative', *SKOPE Research Paper* No. 86, Cardiff: Cardiff University, SKOPE.