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HM Government

Review of the Balance of Competences between the United Kingdom and the European Union

Education, Vocational Training and Youth

Review of the Balance of Competences between the United Kingdom and the European Union

Education, Vocational Training
and Youth

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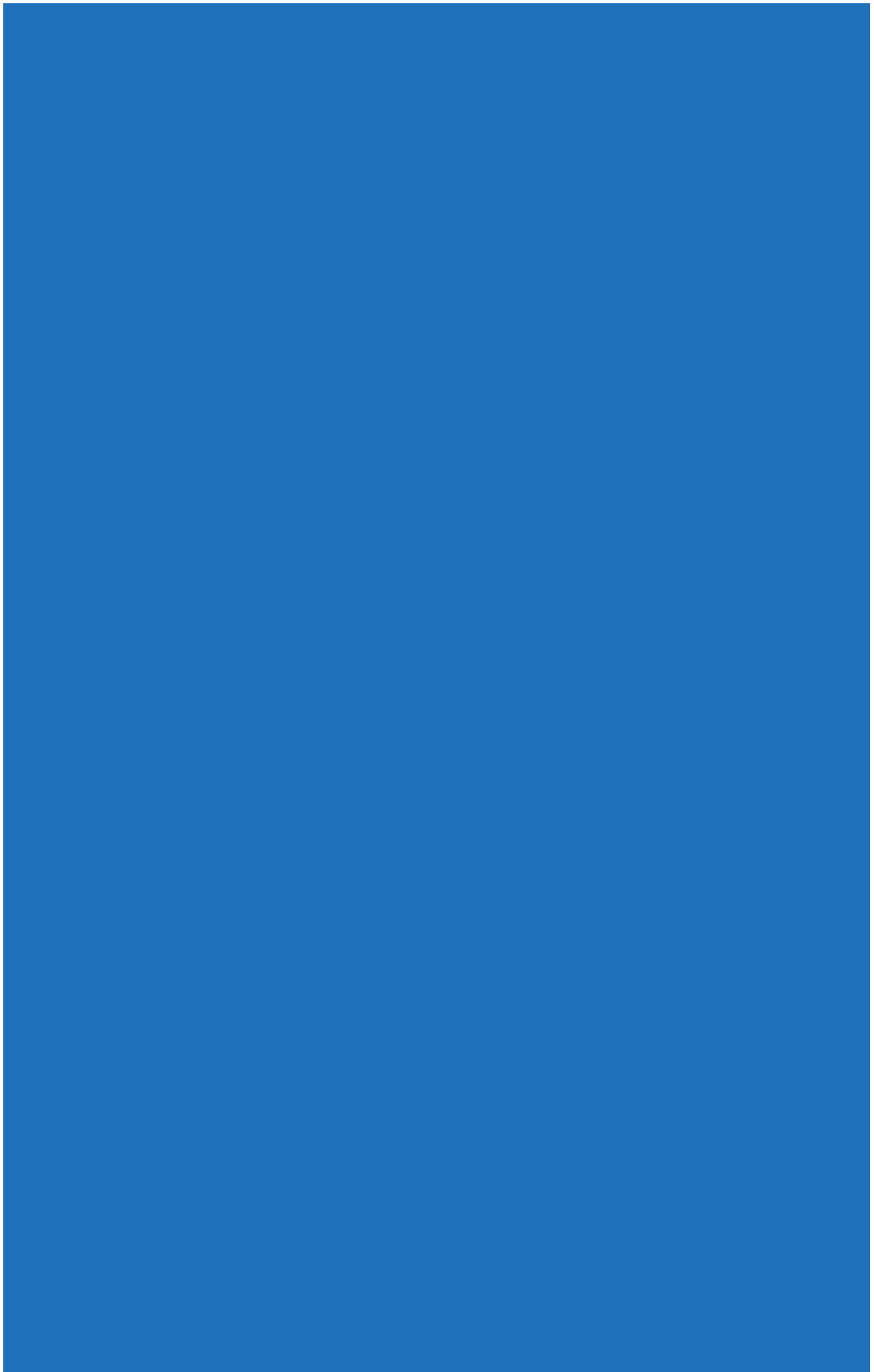
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Contents

Executive Summary	5
Introduction	9
Chapter 1: Historical Development and Current State of EU Competence	13
Chapter 2: Impact on the National Interest	25
Chapter 3: Future Options and Challenges	53
Annex A: List of Evidence Received	59
Annex B: Engagement Events	61
Annex C: Other Sources	62
Appendix A: Glossary of Terms	64



Executive Summary

This report examines the balance of competences between the European Union (EU) and the United Kingdom (UK) in the area of Education, Vocational Training and Youth. It is led by the Department for Education, working closely with the Department for Business, Innovation and Skills and the Cabinet Office with whom policy responsibility is shared. In the UK education and youth policy, including higher and vocational education and training policy, is a devolved matter. However, foreign affairs is a reserved matter and relations with the European Union are the responsibility of the Parliament and Government of the United Kingdom, as Member State.

The report is a reflection and analysis of the evidence submitted by experts, non-governmental organisations, business-people, Members of Parliament and other interested parties, either in writing or orally, as well as a literature review of relevant material. Where appropriate, the report sets out the current position agreed within Government for handling this policy area in the EU. It does not predetermine or prejudge proposals that either Coalition party may make in the future for changes to the EU or about the appropriate balance of competences.

In Chapter One, the report considers the historical development of EU competence in this field and concludes that EU involvement in these policy areas has expanded significantly over time. From the early days of EU cooperation, education and youth policies were seen very much as national issues – central to a country's culture and identity. From this starting point, the Treaties make clear that the organisation and delivery of education and training is a matter for Member States and that the EU has a limited, supporting role. The early focus of EU cooperation was therefore aimed at stimulating student and youth mobility as a contribution to free movement, learning languages and the sharing of common EU values and principles. However, over the last 20 years in particular the EU has become more actively concerned with policy as the links between education standards, youth wellbeing and the labour market have become increasingly clear and well understood. Overall, the fundamental balance of competence between Member States and the EU has not changed, but there has been some blurring of the boundaries.

Chapter Two assesses the impact on the UK national interest. Overall, the impact has been modest – a helpful contribution to student mobility and language learning, but limited in terms of policy development.

The evidence suggests that EU cooperation has helped more young people to study and work abroad and that this is beneficial. But the EU contribution has to be seen against a backdrop of huge increases in overall global student mobility in recent years, with the UK as a heavily favoured destination. That said, it is reasonable to say that relatively low numbers of UK students studying abroad would have been lower still, were it not for the support of EU programmes such as Erasmus. UK universities, colleges and schools argue that their educational offer is enhanced

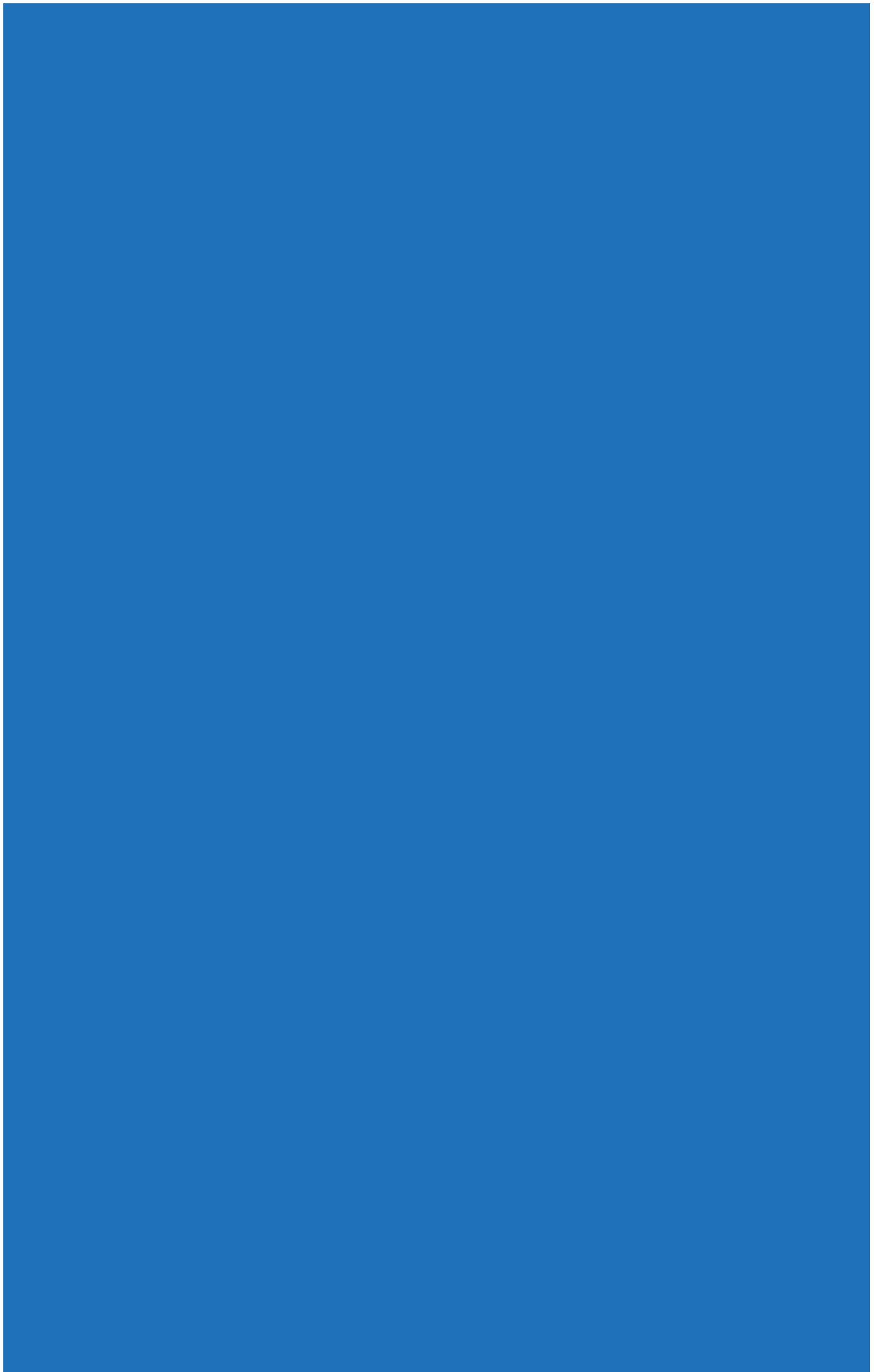
through international collaboration. On the whole, the government sees EU work to promote international mobility and partnerships through Erasmus+ as a sensible area for EU funding and a legitimate area of added value at European as opposed to national level – a position strongly supported by the evidence received.

However, EU work on education, training and youth policy has had little impact on the UK and, in its more prescriptive form of EU-based recommendations, risks being perceived in some quarters as having pushed the boundaries of EU competence. In the UK, much of this work is largely invisible outside the bureaucratic structures in Brussels and Whitehall. There is very little evidence, either in submissions or in literature reviewed, of influence on policy or decision-making in the UK. The evidence about impact in other Member States is more ambiguous. Although the evidence revealed little appetite for a more interventionist approach from the EU, some Member States acknowledged that EU recommendations can support and even initiate difficult domestic reforms. Most EU countries, including the UK, and most of the evidence received acknowledge that policy and best practice exchange at EU level can be a useful contribution to an increasingly dynamic global policy debate. But it could be more effective.

Finally, the report acknowledges that policies and stakeholders in education, as with all major public services, can be affected by EU competence in fields which are addressed in other reports in the Balance of Competences Review. For example, the EU Treaty provisions on Free Movement, Employment and Procurement can be important factors in the development and implementation of national policy in education and training.

Chapter Three looks at the likely future opportunities and challenges. Education has become an increasingly global business and one which is likely to grow in importance. The labour market attaches value to languages and international awareness. Many education institutions are competing in a competitive global market place. In this context, most of the evidence received welcomed the fact that the new EU Erasmus+ mobility and partnership programme is bigger and more ambitious. Within a smaller overall EU budget for 2013-20, the UK Government supported a shift in emphasis towards EU-level activity which could contribute towards skills, employability and preparing young people for the modern, global economy. There are significant opportunities for UK students, teachers, universities, colleges and schools. The government is actively engaged in capitalising on them.

But as the importance of education and skills as key economic factors becomes more clearly recognised, so does the prospect of more scope for EU influence over national policy, notably for Eurozone countries. Regardless of differing views on this sensitive issue, the balance of evidence gathered to inform this report suggests that there is little appetite for the EU to do more than support and facilitate national policymaking through best practice exchange and non-prescriptive, supportive approaches. This is very much the position of the UK Government which has repeatedly stressed that policy and decision making on education and youth policy, and systems, should remain a matter for national governments.



Introduction

Terms of Reference

This report is one of 32 reports being produced as part of the Balance of Competences Review. The Foreign Secretary launched the Review in Parliament on 12 July 2012, taking forward the Coalition commitment to examine the balance of competences between the UK and the European Union. It will provide an analysis of what the UK's membership of the EU means for the UK national interest. It aims to deepen public and parliamentary understanding of the nature of our EU membership and provide a constructive and serious contribution to the national and wider European debate about modernising, reforming and improving the EU in the face of collective challenges. It has not been tasked with producing specific recommendations or looking at alternative models for Britain's overall relationship with the EU.

European Schools are not within the scope of the report as they are an institution in their own right, governed by their own, separate, convention.¹

The review is broken down into a series of reports on specific areas of EU competence, spread over four semesters between 2012 and 2014. More information can be found on the Review at www.gov.uk/review-of-the-balance-of-competences.

The analysis in this report is based on evidence gathered during the Call for Evidence period. It draws on written evidence submitted, notes of seminars or discussions held during the Call for Evidence period and existing material which has been brought to our attention by interested parties, such as past select committee reports or reports of the European Commission. A list of the evidence submitted can be found at Annex A. The report draws on a literature review of relevant material which is set out at Annex C.

Definition of EU Competence

For the purposes of this review, we are using a broad definition of competence. Put simply, competence in this context covers everything derived from EU law that affects what happens in the UK. That means examining all the areas where the Treaties give the EU competence to act, including the provisions in the Treaties giving the EU institutions the power to legislate, to adopt non-legislative acts, or to take any other sort of action. It also means examining areas where the Treaties apply directly to the Member States without needing any further action by the EU institutions.

¹ European Community, *Convention Defining the Statute of the European Schools* (1994). Available at: http://www.eursc.eu/fichiers/contenu_fichiers1/257/SW1-21994A0817en.pdf, accessed on 24 November 2014.

Definition of EU Competence

The EU's competences are set out in the EU Treaties, which provide the basis for any actions the EU institutions take. The EU can only act within the limits of the competences conferred on it by the Treaties. Where the Treaties do not confer competences on the EU they remain with the Member States.

There are different types of competence: exclusive, shared and supporting. Only the EU can act in areas where it has exclusive competence, such as the customs union and common commercial policy. In areas of shared competence, such as the Single Market, environment and energy, either the EU or the Member States may act, but the Member States may be prevented from acting once the EU has done so. In areas of supporting competence, such as education, culture and tourism, both the EU and the Member States may act, but action by the EU does not prevent the Member States from taking action of their own.

The EU must act in accordance with fundamental rights as set out in the Charter of Fundamental Rights, such as freedom of expression and non-discrimination, and with the principles of subsidiarity and proportionality. Under the principle of subsidiarity, where the EU does not have exclusive competence, it can only act if it is better placed than the Member States to do so because of the scale or effects of the proposed action. Under the principle of proportionality, the content and form of EU action must not exceed what is necessary to achieve the objectives of the EU Treaties.

Engagement with Interested Parties

A Call for Evidence was launched on 30 March 2014 and closed on 30 June 2014. The Call for Evidence was open to all interested stakeholders. A programme of direct engagement with stakeholders was undertaken and six stakeholder engagement events were held. The details and attendance at these events is set out at Annex B.

In the UK, education and youth policy, including higher and vocational education and training policy, is a devolved matter. However, foreign affairs is a reserved matter and relations with the European Union are the responsibility of the Parliament and Government of the United Kingdom, as Member State.

Areas of Overlap with Other Reports

Policies and competences which have links to education will also be covered in other reviews, including: Culture, Tourism and Sport; Research and Development; Single Market: Free Movement of Services; Social and Employment; Fundamental Rights; Economic and Monetary Policy; Consular, Voting and Statistics; and Cohesion.

This review also briefly considers some wider EU competences which may have an impact on education, training and youth, or on key stakeholders in the education, training or youth sectors. These areas are evaluated in more detail in reports on Free Movement of Persons; Single Market: Free Movement of Services; and Social and Employment.



Chapter 1: Historical Development and Current State of EU Competence

Summary

Chapter One describes the evolution of EU competence in the area of education, vocational training and youth, and how the scope of EU cooperation has expanded over time. There has been little change to the legal basis for EU activity in these areas since the Maastricht Treaty in 1992. EU competence is 'supporting'. There is no major legislation and the Treaties provide for a coordinating and facilitating role for the EU in supporting Member States who retain primary responsibility for the organisation and delivery of policy and national systems.

Free movement of people and the development of a single market for labour (along with other services) have long been important features of the EU. These objectives, along with an aim to promote intra-EU cultural awareness and language skills, provided the initial impetus for cooperation on education and youth. But in recent years the debate has shifted towards standards – improved education and skill levels are increasingly understood to be drivers of competitiveness for the EU as a whole. Sharply divergent levels of education performance may also contribute to imbalances in economic performance between Member States, notably with regard to employment levels.

In response, and recently within the framework of the Europe 2020 Strategy and European Semester process (based on Article 148 of the Treaty on the Functioning of the European Union [TFEU] on employment), 'policy coordination' under the so called Open Method of Co-ordination (OMC) has morphed into an ambitious strategy based on target-setting at EU and national levels underpinned by national reporting, Commission analysis, peer and multilateral review and Country Specific Recommendations (CSRs). In parallel the Education (and Employment) Council has also increased the use of non-binding Council Recommendations and Conclusions which attempt to summarise and distil 'best practice' in education and training policy into normative approaches to be applied in line with national circumstances and systems.

Promotion of mobility, languages and intercultural understanding has been facilitated primarily through a range of EU-funded programmes which support student mobility and partnerships between institutions. These programmes provide funding for students to study abroad and for institutions, social enterprises and third-sector bodies to organise links and exchanges with their opposite numbers in EU Member States. The programmes, which from 2007-13 operated as a suite of separate programmes within different education sectors, have now been brought under one umbrella of Erasmus+, with funding worth c.£800 million to the UK over its seven year duration.

Since 2004, there have been increased efforts through the EU to facilitate mobility through the establishment of frameworks to enable greater comparability, recognition and quality assurance

of education and training systems and qualifications. These efforts came to fruition in 2008 and 2009 with the adoption of the European Qualifications Framework, the European Credit System for Vocational Education and Training and the European Quality Assurance for Vocational Education and Training.

Background

- 1.1 From the early days of structured cooperation amongst countries in Europe, education has been seen as an area that is intrinsic to national culture and identity. There has therefore been a strong political desire amongst governments to retain the organisation of education systems as a national competence. The UK is engaged in a number of multilateral fora with an interest in education, vocational training and youth policy.

International Engagement on Education, Training and Youth

The UK engages with a number of international organisations that have an interest in education policy development and debate. These are of importance to the UK for different reasons. They include:

The Organisation for Economic Cooperation and Development (OECD) – The leading organisation devoted to the production of comparative education indicators, analysis and trends, notably through its PISA and Education at a Glance (EAG).

The International Association for the Evaluation of Educational Achievement (IEA) – Provider of large-scale international comparisons of educational achievement, policies and practices through studies such as the Progress in International Reading Literacy Study and the International Civic and Citizenship Study.

Agencies of the United Nations (UNESCO, the UNESCO Institute for Statistics (UIS), UNICEF) – Much of UNESCO's education focus is on development, such as the eradication of illiteracy, through its leadership and coordination of the Education for All movement. UIS provides global education statistics for more than 200 countries and has a central role in the framing of the targets which will underpin the UN Development Goals. UNICEF compiles and analyses data on child well-being through publications such as its Report card series.

The Council of Europe – Promotes cultural cooperation and Education for Democratic Citizenship and Human Rights. It has been particularly active in co-ordinating efforts to improve the education of Roma children in Europe.

The Commonwealth – Encourages bilateral and multilateral cooperation with a focus on capacity building, such as improving the quality of teachers, and is an important contributor to the international debate on the UN Development Goals.

- 1.2 Education was absent from the 1951 European Coal and Steel Treaty and from the 1957 Treaty of Rome. At that time, the Council of Europe, which was intergovernmental in nature, was the main, natural forum for cooperating on education within Europe.
- 1.3 Within the European Commission, a Directorate for education and training was developed in 1973 and the Education Council was formed in 1975.¹ Before that, Education Ministers had met occasionally on an intergovernmental basis since 1971. The impetus to move to a formal Council arrangement was driven by the desire to create a Community Action Programme in education-to cover cooperation, study visits, the Eurydice network and other activities.

¹ European Commission, *The History of European Cooperation in Education and Training* (2006), pp 68 and 92.

- 1.4 The first Community Action Programme on education was adopted by the Council in 1976 with a view to its subsequent inclusion in a treaty. This contained six priority areas for action: education of the children of migrant workers; closer relations between education systems in Europe; compilation of documentation and statistics; higher education; teaching of foreign languages; and equal opportunities. From the outset, this was sensitive territory for some Member States and community action was foreseen as being limited mainly to developing transnational projects and exchanges. There was, however, recognition of the contribution that education could make to freedom of movement and services within the EU, notably through the mobility of workers (including teachers and students) and the study of languages.
- 1.5 The legal basis for cooperation in this area since then has been limited, and managed mainly through intergovernmental cooperation in the EU Education Council. EU institutions cannot take direct action in relation to the content and organisation of Member States' education systems, whether public or private. The EU therefore has no authority over Member States' laws concerning education, or over school, vocational or higher education curricula and examinations, or over the funding or organisation of education institutions and systems.

Education and Youth in the EU Treaty

Article 165 of the Treaty on the Functioning of the European Union (TFEU) provides that the EU has supporting competence in the area of education and youth. Article 156 provides for coordination of social policy in matters relating to (amongst others) vocational training and Article 166 provides for implementation of a vocational training policy.

Article 165 states that the Union will 'support and supplement the action of the Member States, while fully respecting the responsibility of the Member States for the content and organisation of systems'. The article specifically prohibits any harmonisation by the EU in the area of education.

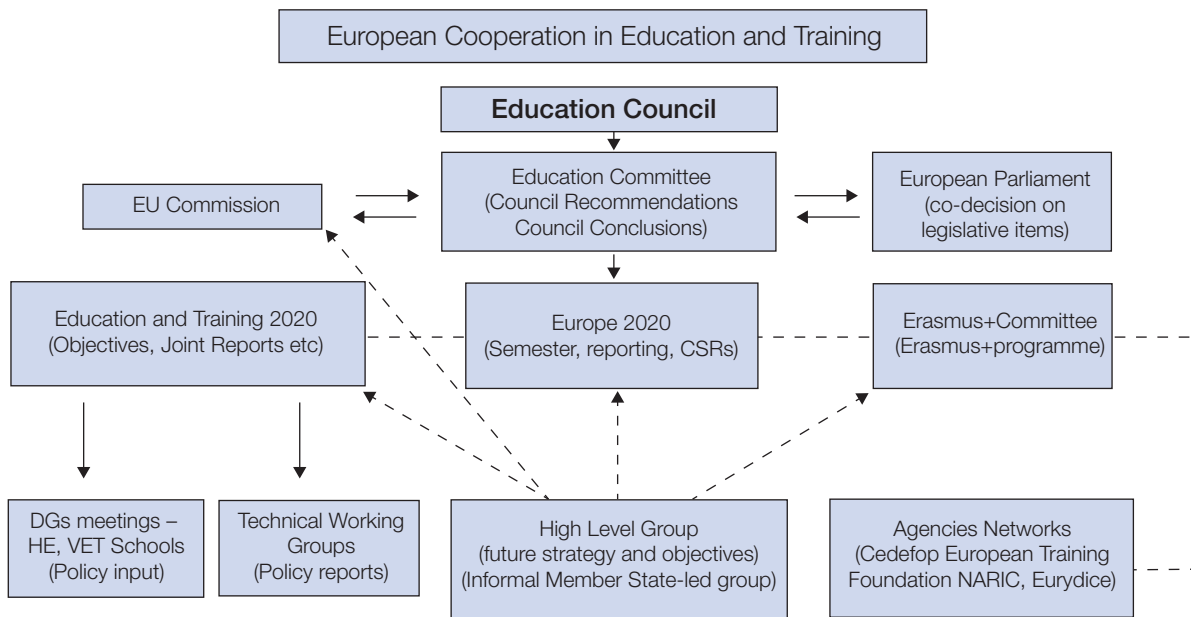
Article 148 provides that the Council will draw up annual employment policy guidelines and that Member States will report against these. Such reporting may include education issues.

In practice, this means that the UK is free to make its own laws regarding education and training. It also means that externally the UK is free to enter bilateral and multilateral international agreements, provided this is not precluded by overriding EU competence in other areas.

- 1.6 In 1992, education was incorporated into the EU Treaties via the Maastricht Treaty (Article 126), along with a Community vocational training policy (Article 127). Both articles were designed to support and supplement the action of the Member States, while fully respecting their ownership of the content and organisation of their systems. The Maastricht Treaty also made the European Parliament joint decision-maker on future measures in the area of education, and this arrangement has continued to the present day. Over time, policy cooperation has gradually entered areas that had previously been considered to be more politically sensitive because of their link to the objectives and performance of national education systems. Examples of this include the issuing of policy guidelines, the development of indicators, and evaluation of education outcomes.

- 1.7 The evolution of the competence can also be seen alongside the development of the principles underpinning the Single Market. For example, the mutual recognition of qualifications is aimed, in part, at facilitating the mobility of people within the EU. Similarly, greater EU involvement in education and skills can be linked to increased EU cooperation on economic and labour market policies.
- 1.8 There is now a comprehensive framework for policy coordination in education and training, still underpinned by the principle of subsidiarity but with a more significant role for the EU.

Fig. 1.1: EU Framework for Cooperation in Education



Source: Department for Education

Legislative Action

- 1.9 EU legislation in the area of education is rare. There is one Directive, adopted in 1977 (Directive 77/486/EEC), on the promotion and teaching of the mother tongue and culture of the country of origin of the children of migrant workers from other Member States. The Directive has not been fully implemented in any EU country and the Council has considered repealing it.
- 1.10 The new EU Programme for education, training, youth and sport (2014-20), Erasmus+, was adopted by a regulation.² Its predecessor programme, the Lifelong Learning Programme (2007-2014) was established by a decision of the European Council and European Parliament.³ There is one other regulation concerning the production and development of statistics on education and lifelong learning.⁴

² Regulation 1288/2013/EC of the European Parliament and of the Council on establishing ‘Erasmus+’: the Union programme for education, training, youth and sport, 2013.

³ Decision 1720/2006/EC of the European Parliament and of the Council on establishing an action programme in the field of lifelong learning, 2006.

⁴ Regulation 452/2008/EC of the European Parliament and of the Council concerning the production and development of statistics on education and lifelong learning, as regards statistics on education and training systems, 2011.

European Court of Justice (ECJ) Judgements

- 1.11 A string of ECJ cases over a number of years established a right of equal access beyond traditional vocational education and into the wider category of higher education. There is a line of ECJ cases which has established that Member States are obliged to guarantee equal access to higher education for nationals of other Member States, subject to exceptions under the Treaty. In *Gravier*, the ECJ determined that the imposition of a charge on students who were nationals of other Member States as a condition of access to vocational training constituted discrimination on the grounds of nationality contrary to Article 7 of the EEC Treaty (now article 18 TFEU).⁵ The ECJ held that a condition of access to vocational education was included within the scope of the Treaty.
- 1.12 The Court attached a very broad meaning to the term ‘vocational training’, stating that ‘any form of education which prepares for a qualification for a particular profession, trade or employment or which provides the necessary training and skills for such a profession, trade or employment is vocational training [...] [even if it included] an element of general training.’⁶ This definition was extended considerably in *Blaizot*, in which the ECJ considered the scope of the term ‘vocational training’ to include university studies ‘even if no legislative or administrative provisions make the acquisition of that knowledge a prerequisite’.⁷
- 1.13 Over time, these and other cases established and refined both the definition of vocational and higher education and the level and terms of financial support available to students within the EU.⁸
- 1.14 In England a public consultation proposing to extend the residency requirement for EU nationals from three years to five years in order for them to become eligible for Higher Education (HE) living cost support closed on 10 November 2014.⁹

Policy Coordination

- 1.15 Policy coordination and information exchange in education and training moved up a gear between 2000 and 2010, partly because of a strengthening consensus in the global academic and policy debate about the importance of skill levels as a determinant of future economic success and social wellbeing. In 2000 the European Council agreed a target to raise the employment rate target to 70% by 2010. Within this wider context, Member States and the Commission judged that the level of EU education cooperation needed to intensify and become more effective. Most Member States, including the UK, accepted this proposition and agreed that a more informal, non-legislative approach – the OMC – provided the best vehicle.

⁵ *Gravier v City of Liège*, Case C-293/83, [1985] ECR 593.

⁶ *Idem*.

⁷ *Blaizot v University of Liège*, Case C-24/86, [1988] ECR 379.

⁸ *Lair v Universität Hannover*, Case C-39/86, [1988] ECR 3161; *Brown v Secretary of State for Scotland*, Case C-197/86, [1988] ECR 3205; *R (on the application of Bidar) v Ealing London Borough Council*, Case C-209/03, [2005] ECR I-2119; *Förster v Hoofddirectie van de Informatie Beheer Groep*, Case C-158/07, [2008] ECR I-8507; *Commission of the European Communities v Belgium*, Case C-65/03, [2004] ECR I-6427; *Bressol v Gouvernement de la Communauté Française*, Case C-73/08, [2010] ECR C-73/08.

⁹ Department for Business, Innovation & Skills, *Higher Education Policy: Consultation on Extending the Eligibility Criteria for Access to High Education Students Living Cost Support for EU Nationals* (2014). Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/349054/bis-14-1301-consultation-on-eu-nationals-access-to-higher-education-student-living-cost-support.pdf, accessed on 24 November 2014.

- 1.16 The OMC is a process of intergovernmental, voluntary cooperation. It rests on ‘soft law’ mechanisms such as guidelines and indicators, benchmarking and sharing of best practice. No sanctions can be applied against Member States. Rather, OMC relies on a form of peer pressure and open publication of Member States’ progress against objectives and targets. Formally, the European Commission has primarily a coordinating and monitoring role within OMC. In practice, however, there is considerable scope for it to set the policy agenda and to influence Member States to implement policies agreed by the Education Council.
- 1.17 In practice these developments led to a more prominent role for education and training in the EU’s Lisbon strategy, launched in 2000, designed to make the Union the most competitive knowledge-based economy by 2010. In an attempt to strengthen the position of EU education cooperation as a serious contributor to a wider growth strategy, Member States agreed an additional framework for policy cooperation – the Education and Training 2010 work programme – which integrated all education and training actions at EU level. The Education Council then adopted European-level quantified benchmarks against which the outcomes of national education systems could be measured and compared. This method of working was further developed through the current Education and Training 2020 Strategy.

Education and Training 2020

The current EU activities in education and training are framed by the Education and Training 2020 Strategic Framework (ET2020).

The ET2020 strategy identifies four common objectives:

- Making lifelong learning and mobility a reality;
- Improving the quality and efficiency of education and training;
- Promoting equity, social cohesion, and active citizenship; and
- Enhancing creativity and innovation, including entrepreneurship, at all levels of education and training.

As part of the ET2020 Strategy the following EU benchmarks for 2020 were agreed:

- at least 95% of children (from age 4 to compulsory school age) should participate in early childhood education;
- fewer than 15% of 15-year-olds should be under-skilled in reading, mathematics and science;
- fewer than 10% of young people should leave education and training early; the indicator measures qualification attainment – for example, the share of the population aged 18-24 with fewer than 5 grade C GCSEs;
- at least 40% of people aged 30-34 should have completed some form of higher education;
- at least 15% of adults should participate in lifelong learning;
- at least 20% of higher education graduates and 6% of 18-34 year-olds with an initial vocational qualification should have spent some time studying or training abroad;
- *In development*: at least 82% of graduates should be employed within three years of graduation; and
- *Proposed*: a benchmark measuring foreign language attainment.

Progress on these benchmarks and a range of core indicators is assessed in the annual Education and Training Monitor progress reports. The Commission uses this data to develop proposals for further European level action.

- 1.18 The range of EU policy coordination is now extensive and covers all levels of education. This may take the form of Council Recommendations, often supported by Council Conclusions, including suggested policy frameworks, for example on: early childhood education and care; key competences for lifelong learning; teacher education; policies to reduce early school leaving; support for vocational education and training; and modernising Europe's higher education systems. Areas of cooperation will often be previewed in Commission Communications. In recent years these have included 'Modernisation of Higher Education', 'Youth on the Move' and 'Rethinking Education'. Education and training is now central to the EU's Europe 2020 strategy designed to promote growth and jobs in Europe, as well as contributing to the development of skills for the labour market.

- 1.19 In 2011, five headline targets were agreed for the whole of the EU to measure progress in meeting the Europe 2020 goals. Two of these targets relate to education:
- By 2020 the EU average rate of early school leavers should be no more than 10%. This is defined as the share of the population aged 18-24 with only lower secondary education or less (below GCSE grade C) and not in education or training; and
 - By 2020 at least 40% of 30-34 year olds will have completed tertiary education.
- 1.20 Member States are expected to set national targets to support achievement of these EU-level targets. All Member States, with the exception of the United Kingdom, have set national targets and several have positioned these at the heart of their reform plans. The UK declined to set national targets on the basis that this was unnecessary action at EU level and that target setting per se was not in line with national policy. Instead, the UK Department for Education cites the impact indicators from published Departmental business plans that are most closely aligned with the European-level targets. For education in England, these are: attainment at age 16 and 19, and an international comparison (within the Organisation for Economic Cooperation and Development (OECD)) of the qualification levels of the working age population in England.
- 1.21 Progress on the Europe 2020 targets is assessed for each Member State through a yearly country analysis following which the European Council may adopt Country Specific Recommendations (CSRs). CSRs are issued on the basis of a set of Europe 2020 Integrated Guidelines as set out in Council Recommendation 2010/410/EU and Council Decision 2010/707/EU, which stem from Article 121(2) and 148(4) TFEU respectively.¹⁰
- 1.22 Through regulations agreed in 2005 and 2008 Member States are required to provide a range of comparable statistics on education and lifelong learning provision in each Member State.¹¹ Member States are required to submit the joint UNESCO/OECD/Eurostat (UOE) questionnaire on education systems to the European Commission on an annual basis. The questionnaire covers educational expenditure, personnel, enrolment in education and training, language learning, student and researcher mobility, as well as educational attainment and the social and labour market outcomes of education.
- 1.23 To supplement the information contained in the annual questionnaire, Regulation 452/2008 requires that data on formal and non-formal adult learning are provided by household surveys, in particular the EU Labour Force Survey (LFS), which is complemented by an Adult Education Survey (AES). Additionally, Regulation 1552/2005 establishes a common framework for the production of Community statistics on vocational training in enterprises and requires Member States to collect sample survey data every five years on the prevalence, participation and perceived impact of continuing vocational training in enterprises.

¹⁰ Council Recommendation 2010/410/EU on broad guidelines for the economic policies of the Member States and of the Union, 2010. Council Decision 2010/707/EU on guidelines for the employment policies of the Member States, 2010

¹¹ Specifically, Regulation 88/2011/EC of the European Commission implementing Regulation 452/2008/EC of the European Parliament and of the Council concerning the production and development of statistics on education and lifelong learning, as regards statistics on education and training systems, 2011.

- 1.24 An OMC for youth policy was introduced as part of an EU Youth Strategy for 2010-18, which is designed to promote the participation of youth in society, and ensure equal opportunities for young people in work and education. A range of indicators was established in 2011, including measures of youth participation in political and voluntary activities, or international projects. These sit alongside established indicators on young people and education, health and poverty. The indicators are designed to be a means of gathering and sharing better evidence and understanding of young people's living conditions and attitudes.
- 1.25 Since 2005, Structured Dialogue (SD) with young people has featured in EU activity on youth policy, to serve as a forum for young people to be involved in European cooperation.¹² The SD involves regular consultations of young people and youth organisations in EU countries, as well as dialogue between youth representatives and policy makers. Recommendations flowing from this process are discussed and endorsed by Youth Ministers at their own Council meeting.
- 1.26 EU-level engagement with young people is further supported through the Pan-EU project coordinated by European Schoolnet in cooperation with Vivendi and the European Commission. Pan-EU Youth is a platform for self-expression for young people between the age of 14 and 18 to post thoughts, questions and remarks on any topic regarding modern technology and the Internet. Pan-EU also brings together a group of Youth Ambassadors, chosen from different regions across Europe and representing 31 national youth panels.
- 1.27 The European Voluntary Service (EVS), part of the Erasmus+ programme, offers young people the chance to volunteer through unpaid and full-time voluntary activities in a foreign country within or outside the EU. The EVS seeks to develop solidarity, mutual understanding and tolerance among young people, thus contributing to reinforcing social cohesion in the European Union and to promoting young people's active citizenship. Their learning experience is formally recognized through a Youthpass.

Languages and Mobility

- 1.28 The TFEU is specific in describing EU activity as being aimed at encouraging mobility. Learning EU languages is seen as a way of developing a European dimension in education and supporting the concept of EU citizenship. Mobility in education and linguistic skills are also regarded as ways of increasing employability across the EU in support of the free movement of people and the single market for labour.
- 1.29 In order to achieve these aims the EU developed a range of education and youth programmes designed to promote links, partnerships and exchanges ranging from schools (Comenius) to universities (Erasmus) to young people and youth organisations (Youth in Action), collectively known as the Lifelong Learning and Youth in Action programmes. These were established by EU Council Decisions and ran from 2007 to 2013.¹³

¹² Structured Dialogue is the name for an EU initiative whereby groups of young people from each Member State canvass the views of young people in their country on specific topics and then coordinate with the groups from other Member States to develop joined-up policy recommendations.

¹³ Council Decision 1719/2006/EC of the European Parliament and of the Council establishing the 'Youth in Action' programme for the period 2007 -13, 2006; Council Decision 1720/2006/EC of the European Parliament and of the Council establishing an action programme in the field of lifelong learning 2006; Council Decision 1905/2006/EC establishing a financing instrument for development cooperation: lessons learned and perspectives for the future, 2006; and Council Decision 1298/2008/EC establishing the Erasmus Mundus 2009-13 action programme for the enhancement of quality in higher education and the promotion of intercultural understanding through cooperation with third countries, 2008.

- 1.30 The Youth in Action Programme comprised several operational actions such as Youth for Europe and Youth in The World – youth exchanges and youth projects between different countries within and beyond the EU, supporting cooperation, seminars and SD.
- 1.31 According to European Commission evaluation, in its first three years of operation (the latest for which full figures are available), the Lifelong Learning Programme financed around 900,000 ‘mobility periods’ (periods of study or work undertaken by individuals in EU countries other than their own) across Europe. Of these, c.720,000 were by pupils and students and almost c.180,000 by teachers, trainers or staff. More than 50,000 European organisations took part in various forms of cooperation activities in 31 countries. Over its lifetime, Youth in Action enabled c.50,000 young people to take part in community-level projects with their counterparts in other countries, while c.5,000 youth workers have made use of opportunities for professional development.
- 1.32 On 1 January 2014, the Lifelong Learning and Youth in Action Programmes were replaced by ‘Erasmus+’ (the EU Programme for Education, Youth, Training and Sport). The three key actions of the new programme are:
- Learning mobility of individuals;
 - Cooperation for innovation and good practices; and
 - Support for policy reform.
- 1.33 Erasmus+ is worth an estimated £800m in grant funding to the UK over its seven-year duration. This funding comes from the EU budget. The Programme will be delivered in the UK by the British Council in partnership with Ecorys Ltd. The UK Government contributes to a management fee for running Erasmus+ in the UK. This was £3m in 2014.
- 1.34 Erasmus+ also includes a new Student Loan Guarantee facility, designed to assist students to obtain commercial loans to finance Masters studies in a different Member State from where they took their undergraduate degree. UK banks have participated in preparations for the launch of the scheme but it is not yet clear how many will take part.
- 1.35 The EU is also supporting the initial stages of the U-Multirank – an EU university ranking system, described as an attempt to provide a multi-dimensional ‘transparency’ tool to enable comparison among institutions in specific fields with comparable profiles. This is intended to aid students’ choice of universities by allowing them to rank their potential choices against a wider range of themes (including teaching quality and international orientation) than the most influential international ranking systems (Times Higher, Quacquarelli Symonds (QS) and Shanghai). Continental European universities tend to fare less well than US or British universities in the latter.

Recognition of Qualifications and Training

- 1.36 The EU has also developed measures to support the mutual recognition and portability of skills and qualifications.
- 1.37 Proposals for a framework for comparison and common recognition of vocational education and training grew from the Joint Interim report of the (Education) Council and the Commission (February 2004) on the implementation of the ‘Education and Training 2010’ work programme. This gave priority to the development of a European Qualifications Framework as an important contribution to the Lisbon strategy. Following an agreed recommendation by the European Parliament and the European Council in February 2008, the European Qualifications Framework (EQF) entered into force on a voluntary basis from April 2008.

- 1.38 In June 2009, a European Parliament and Council recommendation established the European Credit System for Vocational Education and Training (ECVET). This allowed for the mutual recognition of training conducted across EU Member States.
- 1.39 Finally, in June 2009, the adoption of the European Quality Assurance for Vocational Education and Training (EQAVET) by the European Parliament and Council began the process of enabling transparency and comparability of quality assurance arrangements across Member States.

The Bologna Process

In 1999, and outside the formal EU structures, the then EU Member States and 13 other European countries launched the Bologna Process for cooperation in higher education. This was the start of an approach that was no longer simply about academic mobility and cooperation, but also sought to achieve greater transparency and comparability between university and degree level qualifications in an increasingly competitive global environment.

The Bologna Process is a voluntary intergovernmental agreement between Ministers of Higher Education in (currently) 47 countries in Europe. The Council of Europe, and UNESCO, the European Students Union, Business Europe, the European Association for Quality Assurance in Higher Education, among other organisations, are also involved as consultative members. The Commission is a full member in its own right and supports a number of the Bologna activities.

- 1.40 The idea of the Bologna Process was first put forward in 1998 by the Education Ministers of France, Germany, the UK and Italy during the celebration of the 800th anniversary of the University of Paris. The resulting Sorbonne Declaration was the first proposal for the harmonisation of the architecture of European higher education systems. The various Ministerial meetings since 1999 have broadened the agenda and have given greater precision to the tools that have been developed. The European Higher Education Area (EHEA) was launched along with the Bologna Process's tenth anniversary in March 2010.
- 1.41 The Bologna Process has achieved a considerable degree of change since it was originally agreed. Significant reforms in the structure of higher education courses and study programmes have included, for the first time, the introduction in many countries of the Bachelors, Masters, and Doctorate model. Quality assurance guidelines have been developed and agreement has been reached at European level on appropriate qualifications. Bologna has also stimulated policy debate on issues such as the role of higher education in social policy.



Chapter 2: Impact on the National Interest

Summary

Chapter Two assesses the impact of EU activity in these areas on the national interest and the extent to which it adds value.

Under the broad heading of ‘policy co-ordination’, most respondents to the Call for Evidence supported, in principle, the notion that the EU could facilitate international benchmarking and sharing of best practice. However, there was mixed evidence about the quality of EU work in this area and whether it is making any difference. There is clearly much to learn from other education systems both within the EU and outside. The UK actively explores opportunities to examine other countries’ policies without EU involvement. Within the multilateral system, the OECD – a renowned global centre of expertise in education – is more often the catalyst for UK action. That said, UK Ministers and a range of other actors recognise that, done well, policy and best practice exchange through the EU could be a useful addition to other approaches, and indeed could be more useful than at present.

The evidence on the EU’s role in supporting policy development through the OMC in the area of education, training and youth was mixed. On the one hand, the resulting CSRs and Council Recommendations are non-binding. There is therefore no evidence of negative impact on the UK, beyond the administrative cost of participating in the process. On the other hand, whilst not legally binding, Recommendations are not entirely free from any legal effect, particularly where they may be used in ECJ interpretations and rulings. Similarly, linking implementation of Recommendations to EU funding sharpens the potential impact of the process. Partly for this reason, some evidence suggested the need for greater UK engagement in the process in order to shape and derive maximum benefit from policy coordination. The evidence also highlighted a general lack of impact and visibility of the OMC process in the UK, while suggesting that other Member States attach more importance to it.

The evidence concerning EU funded mobility programmes was clearer. Most stakeholders commented positively about the impact of the programmes and recognised that the EU’s role in coordination was cost effective and added value. The imbalance between students coming to the UK and UK students studying abroad was not widely considered problematic – inward student mobility is generally valued by UK education institutions, particularly by universities. Successive governments have tried to find ways to encourage more British students to study abroad. There is a considerable body of evidence which suggests that more would do so if opportunities were more effectively publicised and if language skills were better. Most contributors commented that EU programmes supported these objectives. Young stakeholders were strongly supportive of the EU Youth programme arguing that it contributed positively to

mobility, skills and to the participation by young people in civic and democratic life. Although several respondents thought that the processes involved in administering the programmes were bureaucratic and inconsistent, there was some indication that this may be improving under Erasmus+.

The evidence demonstrated broad support for EU activity to strengthen alignment and compatibility of higher and vocational education and training systems and qualification structures as a useful contribution to student and labour mobility. In this context, most respondents commented positively about the Bologna Process for universities (which exists outside the framework of the EU) and supported UK participation on the current basis of voluntary cooperation. Similarly, contributors generally welcomed developments to improve comparability and recognition of vocational training systems across the EU through the Copenhagen Process. However, some respondents expressed concern about the prospects of increased EU level prescription and standard setting in this domain and emphasised that the EU's role should be confined to supporting Member States and facilitating co-operation. That said, whilst the evidence clearly supported these voluntary frameworks in principle, hard evidence of their positive impact on mobility is difficult to come by.

Finally, several areas of wider EU competence can have an impact on education, training and youth policy. For example, the free movement of persons has created pressure on school places. Free movement has also given EU students the same rights to tuition fee loans as UK students, giving rise to a higher risk of non-repayment when those students return home. However, these students make up only a small proportion of total student loan borrowers and the Government is taking steps to improve its follow up contact with borrowers after they have left the UK. Other examples include EU Directives in areas such as employment law, which may affect staff transferring from a maintained school to a free school or academy. In the case of both EU employment and procurement law, the real impact may not be in the end result, but the time and effort taken to ensure compliance and defend any legal action.

Policy Coordination

A. Open Method of Coordination (OMC) and European Semester

2.1 As noted in Chapter One, the OMC was designed to strengthen EU influence in areas in which it does not exercise specific and strong Treaty competence. Principal activities under the OMC include the definition of desirable objectives, establishment of common measures of success, comparison of Member States' performance and sharing of best practice. As a governance model, it is intended to provide the EU with some influence over Member States while maintaining the principal of national competence.

National standards are compared mainly by means of the [OMC]. However, since there are no penalty mechanisms the OMC is primarily used in policy areas in which the EU has little or no power.¹

¹ Andrei Stuchlik and Christian Kellermann, *Europe on the Way to a Social Union?* (2009). Available at: <http://library.fes.de/pdf-files/id/ipa/06013.pdf>, accessed on 21 October 2014.

- 2.2 The origins of the OMC lie in the new goal set out in the Lisbon Strategy (2000) for the European Union ‘to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion’.² In 2000 the European Council set a target to raise the employment rate to 70% by 2010. To achieve these goals would require ‘preparing the transition to a knowledge-based economy and society’, ‘better policies for the information society’ and ‘investing in people’.³
- 2.3 OMC has become known as a form of ‘soft law’. Recommendations flowing from it are not legally binding in a formal sense but can have legal effect, in that national courts may be under a duty to take account of Recommendations in interpreting domestic legislation designed to implement them, or where they are intended to supplement binding Community provisions. There have been a number of cases in the European Courts in which that proposition has been supported.⁴ There have been no such cases in the sphere of education and the likelihood of such cases arising in the future is low. The EU has only supporting competence in education. It therefore follows that it would be a matter of choice for the UK to give binding effect to such a Recommendation. Only the UK courts would be able to take a Council Recommendation into account when considering its intent in the context of domestic legislation.
- 2.4 The Europe 2020 Strategy placed education and training at the heart of the EU’s stated goal to develop a globally competitive and dynamic knowledge-based economy. In particular, Europe’s sluggish employment performance in the late 1990s and early 2000s led to a focus on improving the quality of labour supply through improved skills. The financial crisis of the late 2000s increased the pressure for structural reform and heightened awareness that the effectiveness of the EU’s education systems could be an important pan-European issue with potential implications across the Eurozone area. The publicity generated by the OECD Programme for International Student Assessment (PISA) rankings during the 2000s also shone a spotlight on divergent education standards across the EU.
- 2.5 Policy coordination in the youth area is broadly similar though more limited and streamlined. As with education, it involves national reports, policy comparisons and benchmarking of outcomes against a range of indicators and other published data, for example the EU Youth Monitor. The Youth Council also typically produces Council Conclusions on different areas of policy. However, the Council agenda is often closely related to the responsibilities of other Council formations, notably education, employment and health.

² The Lisbon Strategy, 2000, para 5.

³ *Idem*.

⁴ *Grimaldi v Fonds de Maladies Professionnelles*, Case C-322/88, [1989] ECR 4407 (concerning a recommendation that a particular disease which appears in the European schedule of occupational diseases should be introduced into national law, and a recommendation as to the conditions for granting compensation to persons suffering from occupational diseases – see paragraph 18); *Altair Chimica v ENEL Distribuzione SpA*, Case C-207/01, [2003] ECR I-8875 (concerning a recommendation that Member States structure their electricity tariffs in a particular way – see paragraph 41); and *Arcor AG & Co. KG v Bundesrepublik Deutschland*, Case C-55/06, [2008] ECR I-0000, (which applied *Altair* and concerned a recommendation as to access to the local infrastructure enabling the competitive provision of electronic communications services including broadband multimedia and high-speed internet – see paragraph 94).

Fig. 2.1: Youth Framework Illustrating Eight Key Areas of Policy Impacting Young People

Source: Joint Report of the Council and the Commission, *Implementation of the Renewed Framework for European Cooperation in the Youth Field (2010 – 2018)* (2012). Available at: [http://aei.pitt.edu/42324/1/COM_\(2012\)_495.pdf](http://aei.pitt.edu/42324/1/COM_(2012)_495.pdf), accessed on 20 November 2014.

- 2.6 Overall, views are mixed on the effectiveness and legitimacy of the OMC as a method of policy coordination.
- 2.7 LSE Visiting Fellow Anne Corbett suggested in her evidence that a feature of OMC governance was that, in its drive to respect national competence, it was arguably a less democratic and accountable model than the community method. Measures under the OMC do not receive the same scrutiny by the European Parliament as those which follow the more traditional route of policy-making in areas where the EU has more than a supporting competence. Corbett quoted Chalmers and Lodge who argued that ‘it is positively perverse for those who criticise the European Union, because it is executive-oriented or does not sufficiently involve national parliaments, to hark back nostalgically to [the] intergovernmental model. [OMC] leads to an even higher executive dominance and even greater parliamentary exclusion’.⁵
- 2.8 Alexiadou and Lange made a similar point in their submission, suggesting that ‘policy learning is usually less transparent than formal law-making, and can limit accountability for developing new policy’.⁶
- 2.9 However, OMC has been strongly supported by both Member States and the Commission as a way of stimulating a coordinated approach to sensible, evidence-based reform, particularly in the areas of supply side economic policy. For Member States it has provided a flexible and sometimes useful form of policy dialogue which gives substance to the theoretical value of EU cooperation without compromising national competence. For the Commission it provides a mechanism to influence national policy areas without provoking a backlash resulting from a threat to subsidiarity.

⁵ Anne Corbett, *submission of evidence*, p10.

⁶ Prof. Nafsika Alexiadou and Assoc. Prof. Bettina Lange, *submission of evidence*, p3.

B. Impact, Visibility and Processes of EU Policy Coordination

- 2.10 External stakeholders responding to this Call for Evidence offered relatively little evidence on the merits of the OMC, which might in itself be instructive when considering visibility and impact. The impact of the OMC is primarily upon Governments and is felt by business and individuals only as a result of action that Governments take in response to the process. However, although there was broad consensus that the OMC respected national competence, views differed on how much of an impact it has had on Member States' national policies. Alexiadou and Lange questioned the impact of the OMC, suggesting that 'the method is too 'soft' to achieve much beyond highlighting the issues' but they recognised that this 'seems to be well within what the UK is 'comfortable' with in terms of EU competence. We do not find this problematic'.⁷
- 2.11 The Austrian Federal Ministry of Education and Women's Affairs noted that 'a challenge for many OMC activities [...] is the sustainable participation and impact assurance at national level [...] It is aspired [sic] to yield a greater visibility and usability of the OMC at national level'.⁸
- 2.12 There was limited evidence that the OMC had any direct impact on education and training in the UK. Respondents did not typically distinguish between the policy coordination process for education and training and the process for youth. As with education and training, there was no evidence that youth policy coordination had significant visibility or impact, although some of the statistical comparisons highlighted in the reports on youth benchmarks and in the Youth Monitor have been of some interest to policymakers.
- 2.13 Even contributors like Dr. Paul Copeland who, overall, thought the OMC process had value, were not aware of any specific measures introduced in the UK as a result of EU activity.⁹ Dr. Bryony Hoskins, Dr. Jan Germen Janmaat and Dr Michela Franceschelli, referring specifically to impact on early school leavers, concluded that:
- There is little sign of a direct impact on the EU policy process on English education policies on [early school leaving]. European policy has either been adapted in line with English policies or there has been no link between the two.¹⁰
- 2.14 Two submissions of evidence came from former British senior civil servants. Both were of the view that EU policy coordination was neither visible to the education sector on the ground, nor influential on national policy making and 'unlike the work of OECD, it is almost entirely unnoticed by the world of education'.¹¹ The Northern Ireland Department for Education also commented that the OECD 'has been more useful' than the EU in facilitating policy coordination.¹²

⁷ Prof. Nafsika Alexiadou and Assoc. Prof. Bettina Lange, *submission of evidence*, p2.

⁸ Austrian Federal Ministry for Education and Women's Affairs, *submission of evidence*, Q5.

⁹ Paul Copeland, *submission of evidence*, p2.

¹⁰ Dr Bryony Hoskins, Dr Jan Germen Janmaat and Dr Michela Franceschelli, *submission of evidence*, p1.

¹¹ A former senior civil servant (1), *submission of evidence*, p4.

¹² Northern Ireland Department for Education, *submission of evidence*, p3.

- 2.15 Beyond Whitehall, an academic described a complex and opaque bureaucratic framework supporting the OMC process. He catalogued a list of Thematic Working Groups, a High Level Group, Ministerial meetings and expert groups, remarking that ‘there is a lack of synergy across the groups, their outputs aren’t coordinated [...] there is no clear map [...] of how these outputs are feeding in, what they are leading to or how they link together’.¹³
- 2.16 With the exception of the University of Salford, which said that ‘EU action has stimulated positive UK Government action (for example development of national strategy for outward mobility)’, none of the evidence identified specific areas of policy in the UK where impact might have been felt.¹⁴ The Scottish Government did, however, make the more general and positive point that ‘target setting and country specific recommendations [...] have played a significant role in improving the standards of education and vocational training in Scotland and throughout the EU’.¹⁵
- 2.17 Although examples of impact in the UK are limited, this is not necessarily the case for some other Member States where EU targets and recommendations are sometimes seen as levers to help drive domestic reforms. At the Brussels Evidence Session, a few speakers noted the benefits of EU action, especially for newer Member States developing policies on education and training. In those cases, Council Recommendations could provide a policy framework and the sharing of good practice could help confirm whether a country’s policies and analysis were sound and shared by others. For this reason, one attendee at that event suggested the need for a stronger role for the EU in policymaking, though this was not a widely shared view.¹⁶
- 2.18 The Austrian Ministry for Education and Women’s Affairs noted that, despite the scarcity of evidence showing the direct impact of EU cooperation on national reforms (mainly because of the methodological difficulties involved in conducting impact analyses), ‘many reforms at national level are strongly linked to EU policy and cooperation and can be interpreted as triggered by EU cooperation and European ET policy’.¹⁷ The Ministry specifically mentioned impact on the vocational education and training (VET) sector in Austria and the adoption of EU education policy frameworks leading to the embedding of transparent descriptions in VET curricula of learning outcomes and a national strategy for the validation of non-formal and informal learning.¹⁸
- 2.19 What conclusions can be drawn about the variable impact of the OMC across countries and, specifically, the relative lack of impact on UK education, training and youth policy? Participants at a stakeholder event held in Brussels to discuss this report suggested that EU recommendations could be of use to governments seeking to initiate or implement controversial reforms in education systems where the political economy could work to prevent change, or where coalition or social partner agreement could be difficult to obtain.¹⁹ One speaker at the event said that their attitude changed when their country held the Presidency because the Commission’s support was needed to get their Government’s agenda through. If the perception is that recommendations from the EU must be implemented, it can enable national Governments to break deadlock or win public acceptance – if not support – for the attempted reforms.

¹³ An academic in the field of EU activity in education, *submission of evidence*, p5.

¹⁴ University of Salford, *submission of evidence*, p1.

¹⁵ Scottish Government, *submission of evidence*, para 30.

¹⁶ *Record of 18 June 2014 stakeholder event, Brussels*, p1.

¹⁷ Austrian Federal Ministry of Education & Women, *submission of evidence*, Q14.

¹⁸ *Idem*.

¹⁹ *Record of 18 June 2014 stakeholder event, Brussels*, p1.

- 2.20 In assessing the question of impact, it is also helpful to consider where individual Member States sit on the performance and reform spectrum. The Pearson series of films, *Strong Performers and Successful Reformers in Education*, identifies important common features associated with high performance and equity while documenting the diverse policy routes that have enabled individual countries to improve.²⁰
- 2.21 The McKinsey report, *How The World's Most Improved School Systems Keep Getting Better*, describes how different interventions are required depending on how far along a country is on 'the school system improvement journey'.²¹ It identifies a consistent cluster of interventions that moves systems from poor performance to fair, a second and different cluster that moves them from fair to good, a third from good to great and yet another from great to excellent. Every EU Member State is at a different point on that continuum of 'poor to excellent'.
- 2.22 The UK arguably has mature education systems with the analytical and policy-making capacity to identify what and how it needs to improve, as well as the structural frameworks required to implement reforms. Given the reform content set out by McKinsey and Pearson, the UK Government does not believe that the EU approach to education policy coordination sufficiently recognises the variety and variation of experience and expertise in Member States. This view is supported in some evidence: 'Texts of this kind are too general and too heavily caveated to be of use, or not specific enough to take account of individual national circumstances'.²² Thus, EU level policy outputs are often seen as too 'normative', taking insufficient account of the fact that policies and systems have different effects in different countries at different times for different reasons.
- 2.23 It is also striking to note that the clear majority of evidence received as part of this review was on issues other than EU policy coordination. This might, in part, reflect the fact that the 'customers' of policy coordination are not participants or agencies or stakeholders but national Governments and their officials. Even among what might be considered its natural audience, the inconsistent Ministerial attendance from all Member States at meetings of the Education Council or the Youth Council, as well as the level of attendance at Director General meetings, High Level Group meetings and meetings of thematic groups, suggest – anecdotally, at least – a bureaucracy and a system with little traction.
- 2.24 Does this lack of engagement at a high level matter? A common theme throughout the evidence was the importance of UK engagement and participation in EU education, training and youth activity. For some, non-engagement led to lack of influence. The European Forum for Vocational Education and Training felt that 'in recent years, the Government ministers have not participated sufficiently actively in the Education Councils, therefore having negligible influence on the development of policies and initiatives'.²³

²⁰ Pearson Foundation, *Strong Performers and Successful Reformers in Education* (2013). Available at: <http://www.pearsonfoundation.org/oced/>, accessed on 21 October 2014.

²¹ McKinsey & Company, *How the World's Most Improved School Systems Keep Getting Better* (2010), p111.

²² A former senior civil servant (2), *submission of evidence*, p3.

²³ European Forum for Vocational Education and Training, *submission of evidence*, Q1.

- 2.25 Ecorys ‘recognise that there is a debate over the nature of the UK’s relationship with the EU but for now, there are opportunities for the UK in EU education and training activities. While these opportunities exist, the UK should aim to derive maximum benefit from them’.²⁴ Similarly, Alexiadou and Lange pointed to the potential for large countries, in particular, to shape the European education agenda but note that ‘the UK has chosen to be more on the margins rather than the centre’.²⁵
- 2.26 In the opinion of the Brussels and Europe Liberal Democrats, ‘the EU provides copious high quality materials and training opportunities for schools but this seems not to have had the success in the UK that it deserves because of the apparent insularity of some British authorities’.²⁶ Hoskins et al suggested that the low impact of EU activity on UK policy relating to early school leaving may be linked to the UK’s decision not to set education targets in pursuance of the ET2020 goals.²⁷ However, as noted in Chapter One, the UK Government did not set targets for two main reasons: firstly, national target setting more generally was not in line with UK Government policy; and, secondly, the Government did not think it appropriate for the EU to set and monitor targets in an area of national competence. The share of early leavers in the UK currently stands at 12.4%, close to the EU average of 12%.²⁸
- 2.27 An Open Europe publication, commenting on the OMC process generally, noted: ‘While well-intentioned, these programmes have a number of bad political side effects. Firstly, they are time and resource consuming (particularly for the civil servants of small Member States). Secondly, they can easily distract from what should be real priorities. Focusing on hitting Lisbon targets [...] means that (laudable as these goals may be) politicians and civil servants are not focusing on the big picture’.²⁹
- 2.28 For one of the former British senior civil servants, engagement was necessary ‘not only to ensure that national policies are not misrepresented but also to guard against the possibility that the Commission will try to develop policy instruments which could have a national impact through being linked to EU programmes’.³⁰
- 2.29 Others also voiced concern that the EU was seeking to do more than simply inform national education policies through the OMC: ‘The shift over time to a more prescriptive approach of targets underpinned by ever increasing reporting requirements and leading to both general and country specific recommendations is neither welcome (from a competence creep point of view) nor useful (from a policy point of view)’.³¹ The administrative burden imposed as part of the policy coordination process was also a concern. The Welsh Government commented that ‘there has been an increased burden on Member States to report on education and training policy and programme development, Copenhagen process, National Reform Programme etc. The Bruges Communiqué has introduced a burdensome questionnaire and reporting on VET policy and programme developments, with little understanding by the Member States completing these of the benefits of these processes to them’.³²

²⁴ Ecorys UK, *submission of evidence*, Q6.

²⁵ Prof. Nafsika Alexiadou and Assoc. Prof. Bettina Lange, *submission of evidence*, p2.

²⁶ Brussels and Europe Liberal Democrats, *submission of evidence*, p2.

²⁷ Dr Bryony Hoskins, Dr Jan Germen Janmaat and Dr Michela Franceschelli, *submission of evidence*, p8.

²⁸ European Commission, *Education and Training Monitor 2014* (2014). Available at: http://ec.europa.eu/education/library/publications/monitor14_en.pdf, accessed on 20 November 2014.

²⁹ Open Europe, *Beyond the European Social Model* (2006), p11.

³⁰ A former senior civil servant (1), *submission of evidence*, p5.

³¹ A former senior civil servant (2), *submission of evidence*, p1.

³² Welsh Government, *submission of evidence*, p3.

- 2.30 The EU Structural Funds – notably the European Social Funds – support a range of national training, skills and pre-labour market entry programmes, often targeted at tackling youth unemployment. These are derived from the Common Provisions Regulation³³ and covered in more detail in the Balance of Competences Report on Cohesion Policy.³⁴

Conditionality of European Social Fund (ESF) Funding

The Common Provisions Regulation, agreed in 2013, sets out provisions for conditions that must be met before EU funding under the ESF is allocated. It builds new links with the EU's economic governance. In preparing their partnership agreements and programmes, Member States are required to take account of relevant Country-Specific Recommendations and, where appropriate, their National Reform Programme in line with the Europe 2020 Strategy and targets.

- 2.31 The evidence received showed concerns about pre-conditions required for receipt of some EU funds. The Common Provisions Regulation which sets out rules for these EU funds require 'ex ante' conditions to be fulfilled before money can be allocated towards specific areas. The intention is to make sure investments take place within a wider strategic context. If Member States wish to spend ESF on actions to reduce early school leaving, vocational training or to promote higher education, then they must show there is a national or regional strategic policy framework in these areas within the limits of Article 165 TFEU.
- 2.32 The regulations require the Commission, in assessing whether preconditions are met, to take account of subsidiarity and explicitly not to judge the content of national strategies. Nevertheless, some respondents expressed concern that the Commission might use conditionalities attached to structural funds as levers to assert greater influence in areas such as education where the main competence rests with Member States.
- 2.33 There are also conditionalities related to the economic governance of the EU, including relevant Country Specific Recommendations under the European Semester. The Regulation permits the Commission to request to review and propose amendments to its Partnership Agreement and relevant programmes, where this is necessary to support the implementation of relevant Council Recommendations. There is a derogation in the Regulation that means sanctions cannot be applied against the United Kingdom, if the Commission deems its response unsatisfactory.
- 2.34 Most evidence received expressed opposition to any further conditionality of funding and some criticism of existing arrangements arguing that 'attempts to link funding to CSRs are a step too far'.³⁵ This is an important consideration, not least because the Government has reservations about the overall CSR process and timetable in so far as they relate to education and training as well as the relevance and quality of the recommendations themselves.

³³ Regulation 1303/2013/EU of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund, 2013.

³⁴ HMG, *Review of the Balance of Competences between the United Kingdom and the European Union: Cohesion* (2014), p74.

³⁵ A former senior civil servant (2), *submission of evidence*, p2.

2.35 For illustration, Fig 2.2 below summarises the process and timetable from publication to agreement of CSRs in 2014. Even though there are prior opportunities for officials to discuss proposed CSRs and their supporting analysis with the Commission, the timetable is compressed to the point that meaningful consideration or discussion within or among Member States (as intended) is very difficult. The problem becomes particularly acute when it comes to involving Ministers in the exercise.

Fig. 2.2: 2014 Timetable for Agreeing CSRs

June 2014		
Monday	2	Commission adoption of country documents and CSRs
Tuesday	3	Deadline for written comments from Member States
Tuesday	10	Employment Committee discusses the 50 CSRs
Wednesday	11	Employment Committee discusses the 50 CSRs
Thursday	12	Employment Committee discusses CSRs (note that individual CSRs are only discussed on one of these three days)
Thursday	19	Employment Council – Employment Ministers agree CSRs
Thursday	26	European Council

Source: Department for Education

2.36 Regardless of the lack of opportunity to debate or contest CSRs, evidence suggests that, in any case, Member States pay them scant attention. The Balance of Competences Report on Economic and Monetary Policy notes that ‘a study by the European Parliament suggests that on average only 10% of the recommendations from the Council are fully implemented by Member States’.³⁶

2.37 The report also questions the policy relevance of CSRs. Certainly, from an education perspective, there was a strong sense from evidence submitted that ‘policy and best practice exchange can be helpful’.³⁷ But where there has been a tendency towards ‘one-size-fits-all’ approaches – as in some Council Recommendations and Conclusions – this is unhelpful’.³⁸

2.38 Indeed, CSR texts in the area of education tend to be very generic. A small selection from the 2014 Semester include:

- Improve the labour-market prospects of young people and the long-term unemployed, with a particular focus on vocational education and targeted activation measures;
- Implement a national strategy on early school leaving prevention with a focus on drop-outs from vocational education and training;
- Accelerate the implementation of the reform of general and vocational education and training to better match young people’s skills with labour demand;
- Address persistent skills mismatches by improving the labour market relevance of education and promote life-long learning; and
- Protect expenditure in areas directly relevant for growth such as education, innovation and research.

³⁶ HMG, *Review of the Balance of Competences between the United Kingdom and the European Union: Economic and Monetary Policy* (2014).

³⁷ Ecorys UK, *submission of evidence*, Q1.

³⁸ A former senior civil servant (1), *submission of evidence*, p3.

- 2.39 Notwithstanding issues of subsidiarity, the all-purpose nature of many Recommendations raises the question of how well equipped European institutions and multilateral processes of this kind are to pronounce on education policy in individual countries. Yet, even when countries make a good case for contesting or amending CSRs, based on their own national analyses and evidenced by high-quality data, the historical evidence suggests that successful challenge is unlikely.
- 2.40 The UK's experience is that evidence-based education policy follows systematic analysis of comparative international data, leaving national policymakers to interpret and respond, relying on their deep understanding of domestic policy challenges. The Government's assessment is that this approach is really what lies behind major reforms in Europe in recent years, for example in countries like Germany and Poland as well as in the UK.

C. International Benchmarking and Sharing Best Practice

- 2.41 Although there were mixed views on 'coordination', the value of sharing best practice across borders, enabling countries to identify what works and lessons learned was universally recognised in evidence. There were, however, different views on the role the EU should play, whether EU activity in this area added value and what should follow from sharing ideas and policy.
- 2.42 PISA rankings demonstrate that there are strong performers and lessons to be learned from countries all over the world. The global marketplace for information on education policy and evaluation is huge and increasingly dynamic. Clearly, sharing best practice need not and should not be limited to Europe. However, the EU's contribution can certainly be useful, for example through the organisation and funding of study visits of policymakers and professionals through programmes such as Transversal and Erasmus+ as well as through the organisation of seminars, conferences and meetings of experts. UK Government acknowledges this, but experience suggests that much of our learning from other education systems arises from national identification of interesting initiatives, leading to more detailed bilateral discussions and study visits.
- 2.43 Using comparative data and research as a starting point, the UK Government is a very active participant in international benchmarking with countries and regions across the world. Recent initiatives in England include: bilateral cooperation with China on the teaching of mathematics which has resulted in a teacher exchange programme with Shanghai from autumn 2014; study visits to a number of EU Member States, including Finland to study the quality of its Initial Teacher Training, the Netherlands to learn about differentiated pupil funding and France to look at its pre-school provision – all of which have taken place without the catalyst of EU cooperation.
- 2.44 Against this background, there is no clear evidence that the contribution of the EU has significantly influenced the UK's ability or willingness, one way or another, to learn from international best practice. As one attendee commented at the Parliamentary roundtable event held to discuss the issues in this report, the EU's work in facilitating comparisons and data sharing may be 'doing the work of the OECD more expensively and less efficiently'.³⁹ There is some indication that the Commission recognises this concern and has sought to reduce duplication of activity regarding the collection and sharing of data through its 2012 agreement with OECD on education data-sharing.⁴⁰ The UK

³⁹ *Record of roundtable event, 8 July 2014, Westminster, p2.*

⁴⁰ European Commission, *Framework for Collaboration between the European Commission and the OECD in the Field of Education* (2012).

Government also recognises the high quality and usefulness of the Eurydice network, which provides information on and analyses of European education systems and policies, as a resource for understanding and comparing Member States' education systems.⁴¹

Mobility, Youth & Language Programmes

A. Objectives of EU Programmes

- 2.45 The Call for Evidence stimulated more comment and views on the EU programmes and their impact than it did on policy coordination and there was a strong view that the EU added more value in this area.
- 2.46 The origins of the programmes lie in the 1980s, with the TFEU providing the legislative basis for EU activity designed to encourage the mobility of students, teachers, young people, and youth workers across Europe. The main objectives were to promote student and teacher mobility, encourage the learning of languages and, subsequently, to facilitate a European dimension in education through partnerships across the EU. Since the 1990s the programmes have gone through several iterations and in 2014 were consolidated and grouped under the Erasmus+ banner. Under Erasmus+ some actions will also be open for exchanges with countries in regions beyond Europe.
- 2.47 The objectives of Erasmus+ are to contribute to the achievement of:
- The objectives of the Europe 2020 strategy, including the headline education target;
 - The objectives of the strategic framework for European cooperation in education and training ('ET 2020'), including the corresponding benchmarks;
 - The sustainable development of partner countries in the field of higher education;
 - The overall objectives of the renewed framework for European cooperation in the youth field (2010-18);
 - The objective of developing the European dimension in sport, in particular grassroots sport, in line with the Union work plan for sport; and
 - The promotion of European values in accordance with Article 2 of the Treaty on European Union.
- 2.48 This last objective echoes previous statements supporting the idea that education is a means 'to explore the richness of European diversity and to develop a sense of belonging to Europe as a vital part of the individual's sense of identity'.⁴² It is a controversial objective for some. The Bruges Group's submission centred on concerns that the European Commission had followed an agenda to promote pro-EU propaganda in schools and universities. They suggested that 'Europe's youth is in the eyes of Brussels a legitimate target for indoctrination and are given special treatment' and referenced a number of publications disseminated by the European Commission which they considered had this aim.⁴³ This was not a view which was supported by other evidence and it is important to note – as the Bruges Group acknowledges – that the Education Act 1996 prohibits the promotion of 'partisan political views in the teaching of any subject in the school' and that pupils 'are offered a balanced presentation of opposing views'.⁴⁴

⁴¹ Eurydice, *Network on Education and Training Policies in Europe* (2014). Available at: http://eacea.ec.europa.eu/education/eurydice/index_en.php, accessed on 20th November 2014.

⁴² European Commission, *The History of European Cooperation in Education and Training* (2006), p39.

⁴³ The Bruges Group, *submission of evidence*, p5.

⁴⁴ The Bruges Group, *submission of evidence*, p7.

B. UK Participation in EU Programmes

- 2.49 The UK Government recognises the importance of UK students spending time abroad, both for its intrinsic educational value and for the benefits to individuals, their institutions, employers and the economy. The Government supports a sector-led UK strategy for outward student mobility and last year it launched its International Education Strategy to build on the UK's broad strengths and to grow the UK economy and strengthen wider links with partners around the world.
- 2.50 The Government believes that international mobility can help enhance the communication skills, confidence and employability of students. International and cross-cultural experience and communication skills are valued by employers. As one of its five key themes, the strategy, developed in partnership with the sector, recognises the benefits that international students bring to the UK. It notes that international students provide a welcome diversity to university and college campuses, bring an international dimension to the higher education experience of all students, and contribute to the cultural and social fabric of the communities they move to. They add to the country's research capacity and, in the longer term, offer the prospect of productive business, political, cultural and research links and promotion of the UK through an ambassadorial role.
- 2.51 Participants at a stakeholder event held in London to discuss the issues in this report, which included representatives of a number of youth organisations, agreed that 'those who had received EU funding tended to be very positive about it. They saw fantastic and transformational outcomes for individuals participating, both in the long-term and short-term'.⁴⁵ Whilst it is not surprising that individuals who benefit from EU funded programmes are often positive about the experience, this response was typical of those received from programme participants.

Fig 2.3: UK Participation in Erasmus Programme

Year	Staff	Students
2007-08	1,583	10,251
2008-09	1,731	10,824
2009-10	1,779	11,723
2010-11	2,057	12,833
2011-12	2,175	13,663

Source: British Council. Available at: <http://www.britishcouncil.org/erasmus-facts-and-figures.htm>, accessed 20 November 2014.

- 2.52 Successive UK governments have sought to increase the outward mobility of students, seeing benefits both for individuals, such as personal development and employability, and for business by increasing the supply of graduates with stronger intercultural and communication skills. The Higher Education HE student mobility scheme under Erasmus+ and predecessor programmes is, and has been, the principal vehicle for this. The extension of the scheme to include work as well as study placements, a change requested by the UK and supported by the Commission, saw an increase in participants from the UK. Despite increasing participation rates, it remains the case that the UK is a net receiver of students under the mobility schemes – and significantly so.

⁴⁵ *Record of stakeholder event, 6 June 2014, London, p2.*

Figure 2.4: UK Erasmus Inward and Outward Study and Training Placements

Year	Inward	Outward	Difference
2009-10	22,650	11,723	-10,927
2010-11	24,474	12,833	-11,641
2011-12	25,760	13,662	-12,098
2012-13	N/A	14,607	

Source: British Council. Available at: <http://www.britishcouncil.org/erasmus-facts-and-figures.htm>, accessed 20 November 2014.

- 2.53 Why might this be the case? One hypothesis made at the London Stakeholder event was that the length of placements did not fit well with term dates in UK universities.⁴⁶ The comparative popularity of work experience placements compared to study experiences might support that.⁴⁷ Stakeholders at the London event felt that there was a dual obligation on the part of UK universities and the administrators of mobility programmes to provide greater flexibility in the length of placements, with term dates to enable more UK students to participate.
- 2.54 The relatively poor foreign language skills of UK students are probably another factor. We know from the European Commission's European Survey on Language Competences (ESLC), conducted in 14 Member States in 2011 and published in 2012, that teenagers in England were bottom for reading, writing and listening in their main foreign language (French).

Figure 2.5: England's Languages Ranking

European Survey on Language Competences (ESLC) Rankings (out of 16 countries) in 2011				
	Reading	Writing	Listening	Overall
1	Sweden	Malta	Sweden	Sweden
2	Malta	Sweden	Malta	Malta
3	Netherlands	Netherlands	Netherlands	Netherlands
4	Estonia	Estonia	Slovenia	Estonia
5	Slovenia	Greece	Estonia	Slovenia
6	Greece	Slovenia	Croatia	Croatia
7	Belgium (German)	Croatia	Greece	Greece
8	Croatia	Belgium (German)	Belgium (German)	Belgium (German)
9	Belgium (French)	Belgium (French)	Bulgaria	Bulgaria
10	Bulgaria	Bulgaria	Portugal	Belgium (French)
16	England	England	England	England

Source: Department for Education, based on data from: *European Survey on Language Competences (ESLC)* (2012).

⁴⁶ Record of stakeholder event, 6 June 2014, London.

⁴⁷ British Council, *Welcome to Erasmus+*, (2014). Available at: <http://www.britishcouncil.org/erasmus-facts-and-figures.htm>, accessed on 20 November 2014. In the breakdown of mobility experiences, the ratio of study experience to work experience in the UK is 2.0:1. This shows a higher proportionate prevalence of work experience compared to France (3.5:1), Germany (4.8:1), Spain (6.3:1) and Italy (6.9:1).

- 2.55 These findings resonate with the evidence of Dr. Christoph Martin Vogtherr of The Wallace Collection in which he noted that British candidates often lacked the required language skills and intimate, inside knowledge of another culture needed for employment in the museum sector. Dr Vogtherr did, however, acknowledge that two of the Collection's best British appointments had participated in Erasmus and in European research exchanges.⁴⁸
- 2.56 The All Party Parliamentary Group (APPG) on Modern Languages also drew attention to this issue in its evidence to the Single Market Balance of Competences Report, remarking that 'UK participation in EU mobility programmes, which improve employability and equip individuals with skills and competences to work across borders, is a fraction of that of comparator countries such as France and Germany'.⁴⁹ It referred to a European Parliament study of seven countries which found that the main reason given by students from the UK for not considering participation in the Erasmus programme was lack of language skills, while in other countries it was finances or personal commitments.⁵⁰ For the APPG, poor language skills amongst UK students have negative consequences not just for the take-up of mobility programmes but for exports, jobs and international influence.⁵¹
- 2.57 Similarly, the House of Lords Report on Student Mobility notes evidence from the National Union of Students suggesting that 28% of students decided against studying abroad because of uncertainty over languages.⁵² It is noteworthy that the proportion of UK students participating in Erasmus programmes who are studying a language course (40%) is considerably higher than for participants from other EU countries (average 15%).⁵³ The positive impact of European mobility programmes on the linguistic skills of UK participants was supported by Lawrence Rose of the Council of British Chambers of Commerce in Europe, who, in similar vein to Dr. Vogtherr, felt that there was a marked difference between candidates who had undertaken mobility experiences and those who had not.⁵⁴
- 2.58 Around 1,400 Foreign Language Assistants help boost foreign language provision in schools in the UK. Partly funded by the Department for Education via a grant to the British Council, Language Assistants from the UK and other Member States may apply for a small personal allowance payment under Erasmus+ which supplements the salary they receive from their host schools.

⁴⁸ Dr. Christoph Martin Vogtherr, *submission of evidence*, p1.

⁴⁹ APPG Modern Languages, *submission of evidence to the Review of the Balance of Competences between the United Kingdom and the European Union: Single Market*, p6.

⁵⁰ H. Vossensteyn, M. Beerkens, L. Cremonini, J. Huisman, M. Souto-Otero, B. Bresancon,, N. Focken, B. Leurs, A. McCoshan, N. Mozuraityte, P. C. Pimentel Bótas, and H. de Wit, *Improving Participation in the Erasmus Programme* (2010). Available at: http://opus.bath.ac.uk/21174/1/improving_the_participation_in_the_erasmus_programme_updated_with_my_name_in_it.pdf p89, accessed on 21st October 2014.

⁵¹ APPG Modern Languages, *submission of evidence to the Review of the Balance of Competences between the United Kingdom and the European Union: Single Market*, p6.

⁵² House of Lords European Union Committee, *The Modernisation of Higher Education in Europe* (HL 2010-2012, 27), Chapter 4, para 74.

⁵³ Russell King, Alan Findlay, Jill Ahrens, *International Student Mobility Literature Review* (2010), para 89, p30.

⁵⁴ Lawrence Rose, *submission of evidence*, p2.

- 2.59 Lack of language skills alone may not account for the low participation level of UK students. Model Westminster,⁵⁵ the British Youth Council⁵⁶ and participants at the London stakeholder event all indicated that there was a problem with visibility and lack of awareness of the opportunities available, especially among young people not in education or at university.⁵⁷ The wider point about better awareness is supported by the House of Lords European Union Committee which ‘consider[s] the provision of more information, as well as promotional activities about the mobility opportunities that are available, by universities and policy makers, to be key in increasing engagement with the Erasmus programme’.⁵⁸
- 2.60 The number of EU students studying in the UK is far greater than the number of UK students studying elsewhere in Europe. On the whole, the evidence we received suggested that this imbalance was not generally considered a problem. Model Westminster told us that ‘students who study within the UK have an understanding of the UK’s culture and practices, which can be promoted overseas to promote better business practice and collaborations’ and that ‘this ensures that the UK is a preferred or desirable Member State to trade, work or carry out diplomacy with’.⁵⁹ Another contributor suggested that ‘the large numbers from other countries who choose the UK as their destination do so primarily because of the importance they attach to being able to speak the English language and to experiencing the UK at first hand. We should welcome this as recognition of our national assets’.⁶⁰ In its submission on this issue, the Russell Group argued that ‘international students make a vital contribution to the success of our universities and are often highly motivated and entrepreneurial’.⁶¹

C. Impact of EU Programmes

- 2.61 The budget for Erasmus+ for the EU is €14.7 billion over seven years which represents a 40% increase in funding compared with predecessor programmes. This should be seen in the context of EU multiannual financial framework (MFF) negotiations which, for the first time, reduced the overall expenditure ceiling by 3.5% in real terms. This was a positive outcome to the negotiations for the UK, broadly in line with the Government’s overall position to shift EU spending towards competitiveness, skills, innovation and research in order to promote growth and create jobs. What is the impact of this spending and are there alternative models?
- 2.62 The majority of respondents to the Call for Evidence were strongly in favour of managing and funding mobility programmes at the EU level. For the University of Warwick, ‘put simply, Erasmus+ would never happen if it were left to Member State Governments’.⁶² The Scottish Government ‘values the universality, consistency and range of opportunities such a programme allows’.⁶³ Attendees of the London stakeholder event did note that there were viable alternative models, citing the Bologna Process as an area of multilateral cooperation outside the EU process. There was no indication, however, that participants saw any value in departing from the current model of EU funding and administration.

⁵⁵ Model Westminster, *submission of evidence*, para 2.1.

⁵⁶ *Record British Youth Council focus groups, July 2014*, p3.

⁵⁷ Model Westminster, *submission of evidence*, section 8.2.

⁵⁸ European Union Committee, *The Modernisation of Higher Education in Europe*, Chapter 4, para 97.

⁵⁹ Model Westminster, *submission of evidence*, para 1.1.

⁶⁰ An academic in the field of EU activity in Education, *submission of evidence*, p4.

⁶¹ Russell Group, *submission of evidence*, para 3.5.

⁶² University of Warwick, *submission of evidence*, p7.

⁶³ Scottish Government, *submission of evidence*, p3.

On the contrary, in their view EU funding was genuinely additional rather than simply displacing funding that would otherwise be provided nationally.⁶⁴

- 2.63 The London stakeholder event identified a perceived tendency for the EU institutions to develop new models, frameworks or programmes while existing initiatives were still being embedded, and before there was sufficient time to evaluate them.⁶⁵ There was agreement at the event that for Erasmus+ to work, the European Commission should ensure that it devoted more attention to evaluation.
- 2.64 However, not all contributors agreed that mobility programmes should be run through the EU. One participant at a roundtable event for MPs and Peers was clear that national Governments should be free to decide what priority and level of funding to attach to mobility schemes, whether with EU countries or further afield, such as the United States and Japan.⁶⁶ This point has particular relevance for the UK which has seen a growth in students studying in English speaking countries, such as the United States, Canada and Australia, notwithstanding the fact that Erasmus+ now includes provision for mobility outside the EU.⁶⁷

D. Impact on the Individual

- 2.65 A September 2014 study published by the European Commission⁶⁸ summarises some of the practical benefits for students participating in the Erasmus programme, particularly in the field of employment. The study finds that 64% of employers consider an international experience to be important in recruiting employees, and that those who have participated in the Erasmus programme are 23% less likely to be unemployed five years after the experience than those who did not participate. The study also finds that former participants are half as likely to experience long term unemployment and are more likely to start, or plan to start, their own businesses.
- 2.66 Information on the impact on participants' language skills is limited and difficult to quantify. Nonetheless, it seems reasonable to assume that a period of immersion in a foreign language academic and social environment is likely to have some benefits for participants' language skills. This is backed up anecdotally by programme participants who confirmed that participation had helped their language skills. For example, Deirdre Duffy said that 'while the nuances of Italian had been unintelligible in the language laboratory at UCC, the dynamics of this language were thrown into stark relief in the lecture theatre, apartment, street and bar in Siena. [The experience] led to an exponential growth in my language ability'.⁶⁹ In their evidence, Ecorys pointed to 'research among Erasmus mobility students [which] has found that almost all consider that their study abroad has enhanced their employability. They also rate their foreign language skills and ability to work in an intercultural environment much higher than their counterparts with no study abroad'.⁷⁰

⁶⁴ *Record of 6 June 2014 stakeholder event, London, p2.*

⁶⁵ *Record of 6 June 2014 stakeholder event, London, p2.*

⁶⁶ *Record of 8 July 2014 Roundtable, Westminster, p2.*

⁶⁷ European Commission *Improving the Participation in the Erasmus Programme* (2010), para 3.3.2.6: 'The number of UK ERASMUS students, for instance, has decreased markedly over the last decade as the number of language students in the country has decreased, whereas there has been a growth in the mobility of UK students to other destinations, particularly North America and Australia'.

⁶⁸ European Commission, *The Erasmus Impact Study: Effects of Mobility on the Skills and Employability of Students and the Internationalisation of Higher Education Institutions* (2014), p14.

⁶⁹ Deirdre Duffy, *submission of evidence*, p1.

⁷⁰ Ecorys UK, *submission of evidence*, Q2.

- 2.67 The British Council also indicated positive benefits to school age students and teaching professionals through participation in the Comenius programme. 468 Comenius beneficiaries responded to the British Council's Annual Impact Survey in spring 2012 about the impact of their involvement with the British Council/Comenius on them professionally and personally, and on their institutions. Notable responses from the Comenius respondents included the following:
- 79% said their involvement in Comenius had had a 'significant' or 'very significant' impact on their own professional development (including leadership skills and teaching methods).⁷¹
- 2.68 Turning to the Youth in Action programme, the National Council for Voluntary Youth Services (NCVYS) used an evaluation of the programme to conclude that it 'contribute[s] to a great extent to the development of competences which are essential for active citizenship and participation in public and political life as well in civil society, in particular in a European context'.⁷² Soundstudio and the International Voluntary Organisation for Learning Opportunities (IVOLO) thought that Youth in Action offered a valuable international experience to young people who are not academic or from less well-off backgrounds.⁷³ Individual participants were also supportive of the programmes, with one former participant commenting that 'since taking part in the Youth in Action programme, my life has turned around [...] The programme has enabled someone like me who grew up in a closed community, to connect with people across the world'.⁷⁴
- 2.69 EU youth programmes are also intended to encourage the participation of young people in the policy making process. Evidence from the British Youth Council is that SD 'has been effective in engaging young people across the UK in European affairs, it has facilitated a huge amount of youth-led research and consultation, and has been instrumental in launching new EU initiatives such as the Youth Guarantee and campaigns including Quality Internships'.⁷⁵ This is not, however, a universally held view. Howard Williamson's submission suggests that SD 'has become over-exclusive [...] and somewhat self-indulgent, in that the youth field speaks to itself on its own aspirations without involving relevant actors from elsewhere on each trio theme'.⁷⁶

E. Impact on Institutions

- 2.70 For many schools, colleges, universities and youth organisations, the evidence received suggests that participation in EU links and partnerships enriches their offer to young people, for example through the quality of course content, collaborative research and the opportunity to access international networks. In their contributions to this exercise, some universities pointed out that Erasmus had helped them to raise, and in some cases, establish, their profile overseas – important from an education exports point of view. Others pointed out the benefits derived by the UK from alumni networks and post graduate returners. In submissions to wider evaluations, school heads have also cited international projects as a good way of motivating disengaged students.

⁷¹ British Council, *submission of evidence*, Q2.

⁷² RAY Network, *Youth in Action Makes a Difference!* (2014). Available at: http://www.researchyouth.net/documents/ray_policybrief_2014.pdf, accessed on 21st October 2014.

⁷³ Soundstudio & IVOLO, *submission of evidence*, Q2.

⁷⁴ Khalid Miah, *submission of evidence*, p1.

⁷⁵ British Youth Council, *submission of evidence*, Q20.

⁷⁶ Howard Williamson, *submission of evidence*, Q20.

Impact of EU Programmes on Institutions

The University of Sheffield has found that incoming Erasmus students add to the teaching and learning environment by contributing to the class what they have learned in their home countries. Academic staff found this a very valuable and stimulating input. Teaching mobility and training visits for staff adds further to creating a global dimension to the teaching, research and other activities at the University.

Evidence from Ecorys

F. Administrative Burden of EU Programmes

2.71 Excessive bureaucracy in the administration of the programmes, from application processes to reporting rules, emerged as a common theme in the evidence. Howard Williamson described programme management as ‘a paper chase and a paper exercise’.⁷⁷ Model Westminster, the Russell Group, Universities UK (UUK) and the UK Higher Education International Unit all had similar concerns. While there was general acceptance of the need for due diligence in approving, monitoring and evaluating applications, more could be done to ensure that processes were proportionate and did not act as a barrier, particularly to small organisations.⁷⁸ IVOLO suggested that Erasmus+ seemed to involve less paperwork but it was too early to know to what extent this perception was shared by others.⁷⁹

G. Higher Education Policy and the Bologna Process

- 2.72 Evidence from UUK and the UK HE International Unit recognised that current EU activity in the field of higher education was valuable and cost effective – ‘for the most part, current EU activity complements, rather than duplicates, activity at Member State level and no single country has the networks, access and funding to provide the same outputs’.⁸⁰ This position was supported by the Russell Group who said that ‘these actions are advantageous because they are in addition to (rather than instead of) national Government action’ and concluded that ‘the key to success is that EU programmes should complement national policies’.⁸¹
- 2.73 UUK and the UK HE International Unit also pointed to the benefits of wider funding opportunities offered by the EU. This included funding for transnational education and exchange, innovative curriculum development, research focused on EU policy priorities and community or business engagement.⁸² The Russell Group also highlighted the importance of such opportunities for UK universities, particularly in light of the importance of education as an export industry to the UK. They commented that ‘networks initially created through EU programmes or initiatives can form the basis of much longer-term collaboration between researchers, institutions and nations and are at the heart of much wider international engagement. Furthermore, the partnerships [...] can be beneficial for raising the profile and reputation of a university abroad’.⁸³

⁷⁷ Howard Williamson, *submission of evidence*, Q26.

⁷⁸ Model Westminster Russell Group and Universities UK & UK HE International Unit, *submissions of evidence*, para 8.3, para 4.1 and para 48 and 49 respectively.

⁷⁹ IVOLO, *submission of evidence*, p5.

⁸⁰ Universities UK & UK Higher Education International Unit, *submission of evidence*, para 12, p7.

⁸¹ Russell Group, *submission of evidence*, para 3.1.

⁸² Universities UK & UK Higher Education International Unit, *submission of evidence*, para 33. p11.

⁸³ Russell Group, *submission of evidence*, para 3.7, p3.

- 2.74 The Bologna Process, which exists outside the EU framework, has created the European Higher Education Area (EHEA) covering 47 countries. It is due to hold its next triennial Ministerial Conference in Yerevan (Armenia) in May 2015. A parallel Bologna Policy Forum event will bring together higher education leaders, experts and practitioners to discuss improving regional co-operation, including beyond the EHEA. Core objectives remain not to harmonise national higher education systems, but to make them more comparable and compatible while recognising differences between countries' approaches.
- 2.75 UK involvement in the Bologna Process was widely considered beneficial by stakeholders in the higher education sector. The Russell Group considered it 'important for the UK to be at the heart of the [...] Process' and argued that although the UK higher education system has traditionally been ahead of those of our European counterparts, 'the gap is narrowing as other systems develop'.⁸⁴ They also argued that UK engagement was necessary to push back against any efforts to stipulate a length of second cycle degrees and 'strongly advocate the high quality of and benefits of its masters programmes and ensure that this message is communicated effectively across Europe'.⁸⁵
- 2.76 Overall, the UK Government supports existing processes of voluntary cooperation in higher education through both the EU and Bologna, and the evidence which was submitted is very much in line with this position. Again, the Russell Group were broadly representative of the university sector responses in stating their view that 'it is essential to maintain flexibility to allow the process to encompass the wide range of HE systems and qualifications in the European Higher Education Area (EHEA)'.⁸⁶ But building on the theme of voluntarism and flexibility, Universities UK and the UK HE International Unit warned that 'there must be a clear demarcation between EU higher education policies and initiatives and those undertaken in the context of the Bologna Process [which is]... an intergovernmental [process]...and it should primarily be driven by consensus between national authorities'.⁸⁷

H. U-Multirank

- 2.77 In 2013 the European Commission launched U-Multirank, a new tool designed to compare and rank universities against a wide range of measures. The first results were published in 2014. A number of high-profile and well-established university rankings already exist, some of the most notable being the Times Higher Education World University Rankings and the Academic Ranking of World Universities, colloquially known as the Shanghai Ranking. Some make the criticism that the TES and Shanghai lists attach too much weight to published research as the main index of quality. The Commission's stated purpose was not to replicate existing approaches but to improve comparability by using a more rounded set of indicators including quality of teaching and learning, international orientation, success in knowledge transfer, and business/labour market links.

⁸⁴ Ibid, para 5.1, p5

⁸⁵ Ibid, para 5.8, p6

⁸⁶ Ibid, para 2.3, p2

⁸⁷ Universities UK & UK Higher Education International Unit, *submission of evidence*, para 15.

U-Multirank

‘This will be a modern and sophisticated ranking, capturing the full diversity of higher education. Existing international rankings still tend to attach too much weight to research reputation. Our multi-dimensional ranking will provide a more accurate and comparable guide to university quality. U-Multirank will help young people make the right study choices and it will motivate institutions to improve their performance across a whole range of activities. It will also be a helpful tool for decision makers, enabling them to be better placed to develop effective higher education strategies for the future.’

Androulla Vassiliou
European Commissioner for Education, Culture, Multilingualism and Youth (2009-14)

- 2.78 The evidence submitted reflected the HE sector’s strong reservations about the value of U-Multirank, the robustness of its methodology, its burdensome processes and the reliability and completeness of the data it used. The Russell Group of 24 leading universities found it questionable that the Commission was using its resources to produce ‘yet another ranking tool’.⁸⁸ Unlike other university rankings which use extensive and readily available data, U-Multirank requires universities to collate additional information about their work, making it a resource intensive process for participants. The evidence of Universities UK, whose 134 members represent the majority of universities in the UK, echoed these concerns and noted that, currently, only nine UK HEIs participate.⁸⁹
- 2.79 The production of HE data that are comprehensive, reliable and comparable across countries is a complex and difficult process. Even the OECD, with its reputation for statistical and analytical excellence and country engagement in large scale international comparisons exercises, has struggled to develop robust, internationally comparable indicators on the quality of universities. While the UK university sector recognises the shortcomings of traditional rankings and understands the Commission’s desire to improve and expand the information available to prospective students, there is little belief that U-Multirank is the solution.
- 2.80 There was also some concern in the university sector that the Commission might in future try to use U-Multirank as a basis for allocating EU funding. The Russell Group ‘would be extremely concerned if U-Multirank were ever to be used to allocate EU research funding or Erasmus+ grants and would strongly resist any movement in that direction’⁹⁰ while Universities UK told us that ‘[...] the UK sector is uneasy about the use of public funding to develop a ranking system and how the information collected will be used in future. In particular, it is critically important that the Commission does not extend the U-Multirank into a normative tool that is used as the basis for allocating EU funding’.⁹¹

I. Mutual Recognition of Qualifications

- 2.81 Under the treaty provisions governing the Single Market, EU Directives already require that any form of work that would normally be restricted in a Member State to people who had gained a professional qualification (regulated professions), should also be open to nationals of the European Economic Area who had gained a similar professional qualification in another Member State. Directive 2005/36/EC (last amended in 2013) covers the mutual recognition of qualifications in regulated professions. This includes

⁸⁸ Russell Group, *submission of evidence*, para 4.4, p5.

⁸⁹ Universities UK and UK Higher Education International Unit, *submission of evidence*, para 53, p17.

⁹⁰ Russell Group, *submission of evidence*, para 4.5, p5.

⁹¹ Universities UK and UK Higher Education International Unit, *submission of evidence*, para 54, p6.

teachers (Qualified Teacher Status in the UK), and teachers from other Member States who are employed in the UK on the basis that their qualification is broadly similar to that required of UK applicants.

- 2.82 Using the education and training treaty provisions, over several years the EU has developed a range of voluntary frameworks designed to support the recognition and portability of qualifications more generally. These efforts came to fruition in 2008 and 2009 with the adoption of the European Qualifications Framework (EQF), the European Credit System for Vocational Education and Training (ECVET) and the European Quality Assurance for Vocational Education and Training (EQAVET).

Higher Education and Vocational Education and Training

European Qualifications Framework (EQF) – a voluntary framework designed to ensure that qualifications can be compared across the EU by reference to a common framework.

European Credit Transfer and Accumulation System (ECTS) – a tool that helps to design, describe and deliver higher education study programmes and qualifications.

European Credit System for Vocational Education and Training (ECVET) – allows for the recognition of training conducted in the EU in other Member States or regions.

European Quality Assurance for Vocational Education and Training (EQAVET) – a voluntary framework to assure the quality of training, with a view to giving certainty that training in a Member State meets minimum quality standards.

Europass – a range of documents sharing a common brand name and logo. It aims to make an individual's skills and qualifications clearly understood throughout Europe.

- 2.83 The EQF and the systems for credit transfer are coherent in their underlying principles but not yet fully aligned in their practical implementation. ECTS is used in around 75% of higher education courses. ECVET is fully based on learning outcomes but is at an earlier stage of implementation. An EU report from January 2014 confirmed that the EQF was widely accepted as a reference point for developing qualifications frameworks across Member States and suggested measures to enhance its effectiveness and impact.⁹²
- 2.84 The evidence received was generally supportive of EU activity on mutual recognition of qualifications and training. The British Council⁹³ and Ecorys⁹⁴ suggested that EU activity in this domain had had a positive impact on mobility and had built on systems already in place in the UK, therefore minimising burdens on UK institutions in terms of transition or compliance. Still, some thought that this useful activity could be done with a lighter touch. The Council for the Curriculum, Examinations and Assessment commented that 'there is scope for reducing the reporting requirements involved in the initiatives and streamlining requests for information, which would reduce the workload on agencies without compromising the positive impacts of the initiatives'.⁹⁵

⁹² Report from the Commission to the European Parliament and the Council, Evaluation of the European Qualifications Framework (EQF), Implementation of the Recommendation of the European Parliament and the Council on the Establishment of the European Qualifications Framework for Lifelong Learning (2014).

⁹³ British Council, *submission of evidence*, Q1.

⁹⁴ Ecorys UK, *submission of evidence*, Q1.

⁹⁵ Council for the Curriculum, Examinations and Assessment, *submission of evidence*, p3.

- 2.85 It is important to note, however, that developments in this area may be moving on to a new phase. In 2014 the Commission undertook a consultation on the adequacy of existing instruments and the potential benefits of developing a ‘European Area of Skills and Qualifications’. A number of respondents, including the Association of Colleges, were concerned that ‘there is a risk that the Commission will seek to push this initiative to become more prescriptive as to the necessary components for individual training experiences to qualify for recognition’.⁹⁶ None of the respondents to the consultation expressed any support for an expanded role for the EU in regulating the quality of training. Most stressed the need to avoid creating additional structures and standard setting and to concentrate on ensuring that the existing frameworks were implemented with consistency. There will be further consultations within the EU institutions on this important issue in 2015.
- 2.86 There are two main EU VET Agencies – the European Centre for the Development of Vocational Training (Cedefop) and European Training Foundation (ETF). Both assist the Commission in supporting the development of vocational education and training across member states. Cedefop activities cover initial and continuing VET and VET aspects of lifelong learning. The ETF works to improve vocational training systems in non-EU countries, mostly in neighboring regions including countries preparing for EU accession.
- 2.87 A recent external evaluation suggested that the work of the ETF was considered to add real value to the partner countries work in VET. The evaluation concluded that the quality of information and expertise provided was excellent and that ETF was a “unique” source of all such information. There is evidence to suggest that Cedefop also has some impact in shaping policy implementation. Its study on qualifications at EQF level 5 and its analysis and overview of NQF level descriptors in European countries contributed directly to EQF implementation. Cedefop data and analysis on skill mismatch contributed to the work of the Global Agenda Council (GAC) on Employment of the World Economic Forum (WEF) and were presented at the Summit on the Global Agenda 2013 in Abu Dhabi.

Impact of EU Competences in Other Areas

A. Research and Development

- 2.88 The Balance of Competences Report on Research and Development, published in February 2014, reported two key factors in relation to the impact of the EU on research carried out by the higher education sector in the UK. First, the sector receives significant amounts of research and innovation funding from the EU. Analysis by the Department for Business, Innovation and Skills (BIS) indicates that around 16% of total income from research grants and contracts in 2011/12 comes from EU institutions.⁹⁷ This equates to around half a billion pounds per annum. Anecdotal evidence suggests that for some universities EU funding contributes as much as 20%.⁹⁸ More recent internal analysis by BIS showed that for 2007-13 the UK HE sector received 25% of all EU research funds available to universities across Europe.

⁹⁶ Association of Colleges, *submission of evidence*, Q3.

⁹⁷ HMG, *Review of the Balance of Competences between the UK and the EU: Research and Development* (2014), para 3.19, p34.

⁹⁸ *Idem*.

- 2.89 Secondly, EU research programmes provide opportunities for collaborative working through ready-made fora for sharing data and ideas, economies of scale (particularly in areas like space), access to facilities and other non-financial benefits such as career opportunities. The report refers to examples of projects which respondents believed would have been less effectively funded at a national level. These included five examples of nuclear research which have increased the UK's capability in this area and the work on graphene at the University of Manchester.⁹⁹
- 2.90 Research and innovation is sometimes cited as one of the most growth enhancing areas of EU spending on the basis that programmes contribute to increased industrial competitiveness, generate extended networks and strengthen the knowledge infrastructure in Europe.¹⁰⁰

B. Free Movement of Persons

- 2.91 The UK Government approach to the right to access education is that all children of compulsory school age are entitled to a school place regardless of migration status. Under EU law, children of EEA national workers resident in the UK are also entitled to receive state education on the same basis as children of UK nationals.¹⁰¹
- 2.92 The Balance of Competences Report on the Free Movement of Persons has highlighted an increasing pressure on school places as a result of immigration, including by EEA nationals. A Local Government Association (LGA) analysis published in September 2013 highlighted increasing pressures on primary school places.¹⁰² It argued that two thirds of councils in England could see more children looking to start primary school in their area by September 2016 than they currently have places available for. The main driver has been the birth rate rising more quickly than at any time since the 1950s. According to the Office of National Statistics around half of the increase is due to increasing immigration. A quarter of births (25.1%) in 2010 were to mothers born outside the UK.¹⁰³ The LGA analysis highlights pressures in certain areas, including Peterborough, Redbridge, Ealing, Bristol, Lewisham, Slough, Manchester, Sutton and Barking and Dagenham.
- 2.93 A National Institute for Social and Economic Research (NIESR) 2013 report found that overall pupil numbers had increased since 2011. Local authorities are responsible for ensuring there are sufficient school places. Central Government has allocated over £7bn since 2011 to create places to meet demand until 2017.
- 2.94 One consequence of the right of free movement of persons is that EU students studying in the UK have equal access to vocational and higher education. This issue was raised at the roundtable event for MPs and Peers.¹⁰⁴ One participant argued that the difficulty in recouping loan payments from students who leave the UK after their studies, such as EU students returning home, necessarily incurred additional cost to UK taxpayers.

⁹⁹ HMG, *Research and Development*, para 3.28, p36.

¹⁰⁰ Idem.

¹⁰¹ Regulation 492/2011/EC of the European Parliament and of the Council on freedom of movement for workers within the Union, Article 10, 2011.

¹⁰² HMG, *Review of the Balance of Competences between the UK and the EU: Free Movement of Persons* (2014), p42.

¹⁰³ Idem.

¹⁰⁴ *Record of roundtable event, 8 July, Westminster*, p2.

- 2.95 As of April 2014, the Statistical First Release (SFR) published by the Student Loans Company (SLC) reported that since 2007,¹⁰⁵ there had been 49,100 EU borrowers who have had a tuition fee student loan. This includes students who are still studying. The same SFR reported that for the same period (since 2007), there were 2,131,400 UK borrowers who have had a tuition fee loan. EU borrowers therefore account for about 2.25% of the total numbers of borrowers for this period. EU borrowers can take out loans for tuition fees only.
- 2.96 The table below summarises the breakdown by category of repayment status taken from the June 2014 SFR – the number of EU borrowers who are in arrears is around 13% of the total number of borrowers.

Fig 2.6: Status of Student Loans

Status	EU Students	UK Students
Repaid in full	4,800	145,800
Loan cancelled	100	4,600
Repaying loan	6,000	824,100
Earning below repayment threshold	11,800	295,800
Not traced by HMRC	700	50,300
Going through trace process	2,400	150,400
Awaiting first P14 to determine if earning above threshold	7,000	424,700
Status that does not require repayment at this time	900	122,500
In arrears	6,300	14,000
Further information being sought	9,200	22,500

Source: Student Loans Company, *Statistical First Release* (June 2014).

- 2.97 Those former students, whether UK or EU nationals, who move overseas are a particular challenge. The Government has legislated so that post-2012 borrowers who fail to keep in touch with SLC will be charged an interest rate of RPI +3% until they give the SLC all of the information they require. The Government is also working with other countries that have student loan schemes to develop reciprocal arrangements to trace borrowers who have moved overseas and not kept in touch with their home country.
- 2.98 The National Audit Office (NAO) Report into Student Loan Repayments was published on 28 November 2013.¹⁰⁶ On the basis of the NAO Report, the Committee of Public Accounts took evidence on 11 December 2013 from BIS, HMRC and SLC on their work on the repayment of student loans. The Committee published its Report on 14 February 2014.¹⁰⁷ The Government accepted all the recommendations and has set up a Repayment Strategy group which monitors implementation.

¹⁰⁵ Income Contingent student loans have been available since 1998, but EU borrowers have only been eligible to take out a tuition fee loan since September 2006.

¹⁰⁶ National Audit Office, *Student Loan Repayments* (2013). Available at: <http://www.nao.org.uk/report/student-loan-repayments-3/>, accessed on 21 October 2014.

¹⁰⁷ Public Accounts Committee 44th Report (2014). Available at: <http://www.publications.parliament.uk/pa/cm201314/cmselect/cmpubacc/886/88602.htm>, accessed on 21 October 2014.

- 2.99 Devolution means that there is a range of policies and approaches on student loans across the four UK administrations. It is for each to decide, within the total financial envelope available to them, how they deploy their resources and develop their higher education systems. EU law does not permit different treatment of students between Member States but does allow such treatment of students within a Member State. It is therefore for the authorities in Scotland, Wales and Northern Ireland to decide how they treat students from the other administrations who want to study there.
- 2.100 In its evidence, the Scottish Government was strongly supportive of the free movement of students, citing the economic benefits to Scotland:

Furthermore [in addition to £12.4 million generated in postgraduate tuition fees from EU students in 2008-09] undergraduates and postgraduates brought an estimated £146.8 million in non-tuition fee expenditure (including accommodation and other day-to-day expenses). This illustrates the level of financial income the Scottish economy receives from EU students and highlights the value in the increasing mobility of students.¹⁰⁸

- 2.101 Further discussion of the free movement of persons can be found in the Balance of Competences Report on the Free Movement of Persons.

C. Impact of Employment Legislation

- 2.102 The Acquired Rights Directive (ARD)¹⁰⁹ is intended to protect employees' terms and conditions when the business for which they work changes hands. It is implemented in the UK by the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). This can have an impact in the education sector, for example when institutions are taken over or merge, or when schools are replaced by a free school and staff transfer on the same employment terms.
- 2.103 Further information on the impact of the Directive can be found in the Balance of Competences Report on Social and Employment Policy.¹¹⁰ There is a range of views outlined in the report including adverse comments that the ARD or TUPE was one of a number of pieces of legislation stemming from EU law which had led to indirect costs, and that if free to do so, the UK would be likely to adopt legislation that was somewhat less restrictive than TUPE. A number of respondents including the TUC, British Medical Association, Royal College of Midwives and the Bar Council of England and Wales were, however, more supportive, highlighting the benefits that accrued to workers.

D. Impact of Procurement

- 2.104 Where public services are provided by economic operators under contract with public authorities, EU rules on public procurement may apply. These rules can affect education policy, as with all public services, for example in the implementation of building programmes or the provision of information to the public.

¹⁰⁸ Scottish Government, *submission of evidence*, p4.

¹⁰⁹ Council Directive 77/187/EEC on the approximation of the laws of the Member States relating to the safeguarding of employees rights in the event of transfers of undertakings, businesses or parts of businesses, 1977.

¹¹⁰ HMG, *Balance of Competences Review between the United Kingdom and the European Union: Social and Employment* (2014).

- 2.105 The European Commission had considered taking a case against the UK concerning the procurement regime for the award of contracts for school building by local education authorities, and concerning the award of a contract by the Department for Education for the provision of services related to the support for groups wanting to find out more about setting-up a free school. These cases were closed without further action, but dealing with such cases can cause delay and take up significant administrative time.
- 2.106 Further discussion of the impact of procurement rules can be found in the Balance of Competences Report on the Free Movement of Services.¹¹¹

E. Impact of Fundamental Rights

- 2.107 In 2011 the European Commission issued a Communication to the European Parliament on an 'Agenda on the Rights of the Child'. The purpose of the document is to reaffirm the strong commitment of all EU institutions and of all Member States to promoting, protecting and fulfilling the rights of the child in all relevant EU policies. The Commission also proposed that future EU policies that directly or indirectly affected children should take into account the principle of the best interests of the child enshrined in the United Nations Charter on the Rights of the Child and reaffirmed in the EU Charter of Fundamental Rights.
- 2.108 The EU Agenda for the Rights of the Child has no direct policy or legal implications but presents general principles that are designed to ensure that EU action is exemplary with regard to the rights of children. It focuses on a number of actions in areas where cross-border EU cooperation may bring added value, such as: child friendly justice, protecting children in vulnerable situations and fighting violence against children.
- 2.109 The European Convention on Human Rights sits outside the framework of the European Union, but its provisions, including interpretations by the European Court of Human Rights, can be referred to by the European Court of Justice in interpreting law due to the 'special significance' of the ECHR in EU case law on fundamental rights.¹¹²
- 2.110 Further discussion of the impact of fundamental rights can be found in the Balance of Competences Report on Fundamental Rights.¹¹³

¹¹¹ HMG, *Balance of Competence Review between the United Kingdom and the European Union: Single Market: Free Movement of Services* (2014).

¹¹² *Nold v. Commission*, Case C-4/73, [1974] ECR 491.

¹¹³ HMG, *Review between the United Kingdom and the European Union Fundamental Rights* (2014).



Chapter 3: Future Options and Challenges

Summary

Chapter Three looks forward to possible future developments and trends in the field of EU cooperation in education, vocational training and youth. There was no support in the evidence for an extension of EU competence beyond its current level – ‘supporting’.

EU involvement in these areas of policy has grown over time and the evidence suggests that this trend is likely to continue. Skill levels and standards of education are commonly understood to be as central to productivity, competitiveness and long term economic performance. This is already recognised in the Europe 2020 Strategy through the targets covering school and tertiary level attainment. It seems highly unlikely that the EU generally or the Commission specifically will withdraw from this policy domain. Quite the contrary – the Commission is strengthening its policy and country specific analytical capacity, and its strategic partnership relationship with the OECD, the acknowledged centre of excellence on education in the international system. The UK Government believes that the OECD should continue to provide independent and internationally comparative data and analysis of education systems and the EU should avoid duplication.

Against this background, there may well be scope for the EU to contribute more effectively to the international education debate and to facilitate interesting and informative comparisons. Along with other Member States, the UK could benefit if this was done well. However, further development of policy coordination is potentially more problematic. A number of contributors flagged a risk of more interventionist EU policy initiatives through, for example, stronger policy recommendations with more teeth with the aim of pushing Member States to achieve targets. Some evidence suggested that this would be a likely development, especially if linked to EU funds. There was, however, no significant support for such an enhanced EU role and a number of contributors expressly opposed further prescription or conditionality. It does seem possible, however, that there may be moves in this direction, alongside proposals for more binding economic governance rules (including of structural, supply-side policies such as education), particularly for Eurozone countries.

On the other hand, and particularly in the context of a globally competitive education system and labour market, most respondents were positive about the trend towards more ambitious EU mobility and partnership programmes. There was strong support for the creation of a single brand – Erasmus+ – to replace the previous range of disparate, sectoral programmes. The overwhelming majority of responses highlighted the benefits of Erasmus+, notably in respect of language skills, broadening the international experience of students, mutual learning (of students and institutions) and the potential economic value to the UK of education imports and exports.

Whilst in all these areas it is hard to identify ‘hard’ evaluation of benefits, most respondents felt that it was reasonable to assume a positive contribution and that the UK should continue to take full advantage of its advantageous position in the marketplace for education imports and exports, within the EU and more widely.

A consultation has recently closed on Commission proposals to establish a European Area of Skills and Qualifications, building on existing mutual recognition of qualifications frameworks (EQF, EQUAVET, ECVET, ECTS etc.). Further ideas on next steps are expected in 2015. The bulk of evidence in this area was positive, provided that the focus remained on measures to stimulate mobility through mutual recognition rather than a move towards standardisation, or establishing EU-wide quality assurance mechanisms (as opposed to sharing information about different national quality assurance arrangements).

Policy Co-ordination

- 3.1 The importance of education and training policy is already central to the Europe 2020 Strategy through the targets covering school and tertiary level attainment. That Strategy is now under review but it seems likely that policy coordination in this area will remain a high priority. The Commission is strengthening its country specific analytical capacity, and its strategic partnership relationship with the OECD – the acknowledged centre of excellence on education in the international system. In time, and as part of wider moves to strengthen economic governance, it seems possible that there will be EU-level measures to incentivise national structural and supply-side reforms through, for example, sharper conditionality, and that this could affect national policies in education and training.
- 3.2 The clearest evidence of the possible direction of travel comes from previously published documents related to the review of the Europe 2020 Strategy. Early indications of the European Commission’s thinking suggests that ‘education and training can be expected to continue to be a centrepiece within Europe 2020’,¹ establishing a High Level Group to ‘strengthen education and training in a renewed Europe 2020 agenda to improve Europe’s human capital’.² Stronger links between policy priorities and EU funding are also possible, with a Council paper for debate from January 2013 noting that ‘The Commission is also proposing that national investment priorities for the next round of ESF funding (2014-20) should be better aligned with the most important policy challenges identified under the Europe 2020 and ‘ET 2020’ policy frameworks, in particular policy challenges identified in the country specific recommendations’.³
- 3.3 Outside the euro area, however, developments of this kind are unlikely to have a direct impact on the UK. As the parallel Balance of Competence Report on Economic and Monetary Policy sets out, repeated European Council Conclusions have made clear that moves towards deeper social and economic policy coordination would be voluntary for non-euro area Member States.
- 3.4 Nevertheless, a number of contributors to our Call for Evidence flagged the possibility of more prescriptive EU policy initiatives through, for example, stronger country specific recommendations with more teeth. Some thought that this would be a reasonable development, especially when linked to EU funds. Paul Copeland suggested that increased prescription may be reasonable as ‘all changes in response to the previous

¹ European Commission, *Paper for Education High Level Group, Europe 2020 Review: From the Public Consultation to the Policy Debate at the December Council – Exchange of Views* (2014), p3.

² Ibid, p5.

³ Note from the Council General Secretariat, *Presidency Discussion Paper* (31 January, 2013), p4.

Lisbon process did not work, and EU Member States still have serious structural problems. The treaty is clear and the Commission is not overstepping its mark'.⁴

- 3.5 There was, however, very little support for such an enhanced EU role. A number of contributors expressly opposed further prescription which might fundamentally alter the balance between EU and national competence in education, training and youth. The Russell Group, in particular, perceived an attempted shift in competence by linking the role of universities to growth, innovation and knowledge transfer which 'creates an explicit link between tertiary education, research and development and the Single Market [with the consequence that] education appears to be becoming more of a Community rather than an intergovernmental process with a gradual shift of competences to the European Commission'.⁵
- 3.6 In developing their argument, the Russell Group was broadly representative of the evidence received which commented on future developments in commenting that they 'would not wish to see any change to [existing] legal provisions nor to the voluntary nature of cooperation [...] any move towards standardising or harmonising systems across the EU could pose a serious threat to the UK's world-leading universities'.⁶ They are further of the view that 'the UK should be cautious about any 'competence creep' by the European Commission in the area of education and training' and argued that 'the principle of subsidiarity in the area of higher education must be maintained and the UK should push back against over-prescription or unwarranted intervention from the Commission'.⁷
- 3.7 The UK Government shares the view that further prescription, standardisation or harmonisation in this area of EU activity would be unwelcome, and would intend to resist moves in this direction.
- 3.8 On the balance between the European institutions, there is no indication that the future role of the European Parliament in these policies areas is likely to change. However, it is possible that the Commission could in future propose a legislative instrument, for example to support the mutual recognition of qualifications under the European Qualifications Framework. In that event, any legislation would involve the Parliament under the co-decision procedure.

EU Mobility and Partnership Programmes – ERASMUS+

- 3.9 In the context of a globally competitive education system and labour market, most respondents were positive about the move towards a more ambitious EU mobility and partnership programme. The overwhelming majority of responses highlighted the benefits of Erasmus+, notably in respect of language skills, broadening the international experience of students, mutual learning (of students and institutions) and the potential economic value to the UK of education imports and exports. Whilst in all these areas it is hard to identify 'hard' evaluation of benefits, most respondents felt that it was reasonable to assume a positive contribution and that the UK should continue to take full advantage of its advantageous position in the marketplace for education imports and exports, within the EU and more widely.

⁴ Dr Paul Copeland, *submission of evidence*, p2.

⁵ Russell Group, *submission of evidence*, para 5.3.

⁶ *Ibid*, para 2.

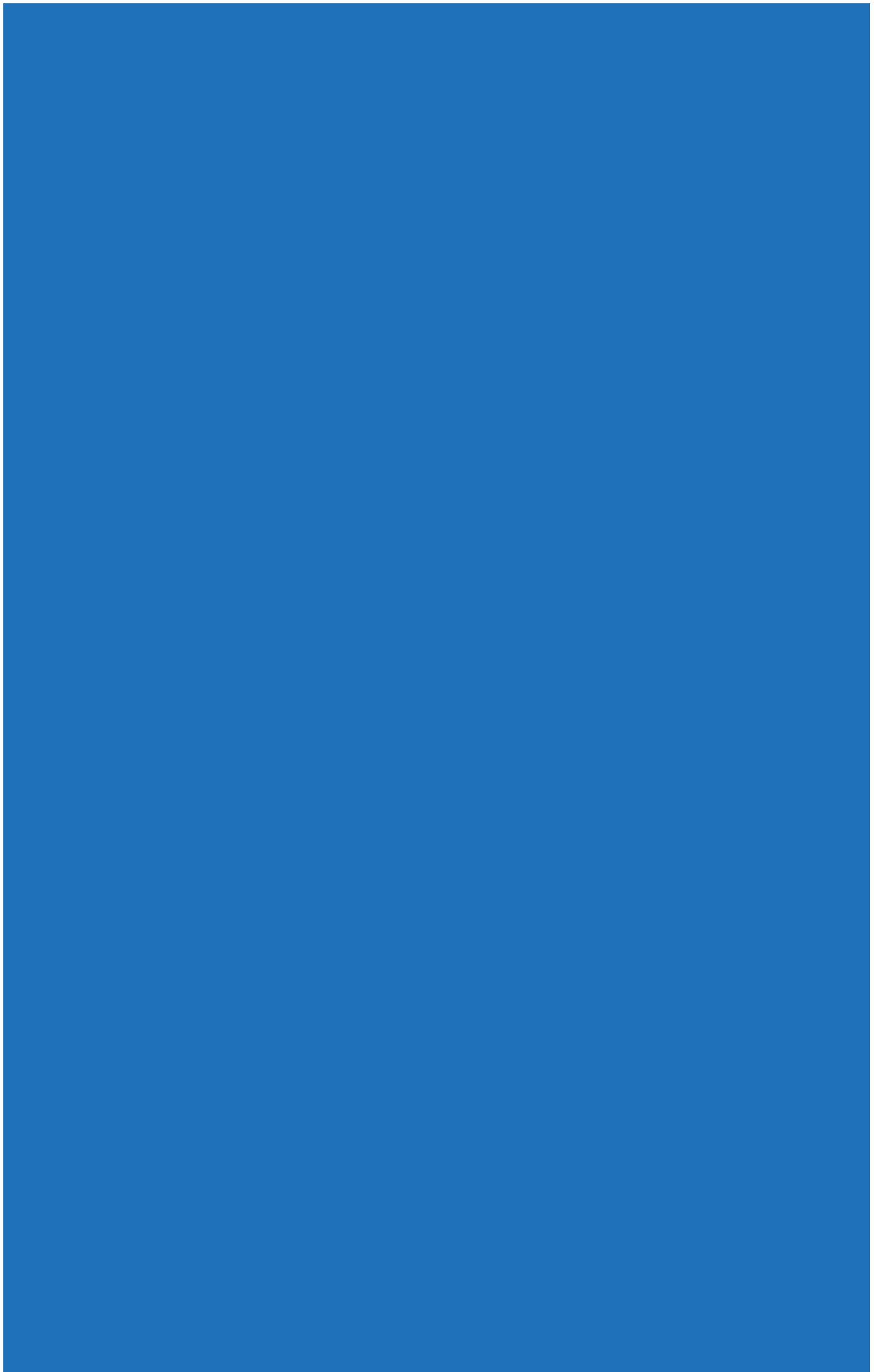
⁷ *Ibid*, para 5.4.

- 3.10 Nonetheless, there was recognition that it was too early to evaluate the success of Erasmus+. Both Ecorys and the Association of Colleges stated that there was a lack of available data showing that language learning had improved through participation in the programmes.⁸ However, such data will be collected as part of Erasmus+, where participants will be required to complete pre- and post-mobility language tests.
- 3.11 As mentioned in Chapter Two, some concern was expressed that there was a tendency within the EU to introduce new tools or initiatives before the existing ones had been allowed time to develop and be evaluated. This could result in a lack of coherence and a menu of initiatives which might not be well aligned. Stakeholder evidence suggested that it was important both in the area of mobility programmes and of qualification recognition for the EU to wait for full evaluation of current initiatives before undertaking any further new work.
- 3.12 Finally in this context, a consultation has recently closed on Commission proposals to establish a European Area of Skills and Qualifications, building on existing mutual recognition of qualification frameworks (EQF, EQUAVET, ECVET, ECTS etc.). Further ideas on next steps are expected in 2015. The bulk of evidence in this area was positive provided that the focus remained on measures to strengthen comparability, mutual recognition and the exchange of information rather than any moves towards standardisation, or establishing EU-wide quality assurance mechanisms (as opposed to sharing information about different national quality assurance arrangements). Some respondents argued specifically that it was more important to embed existing voluntary qualification frameworks such as EQF before embarking on more ambitious proposals such as the European Area for Skills and Qualifications.⁹
- 3.13 Amongst the most common complaints from stakeholders, even those who were positive about EU activity in education, training and youth, was that the administrative burdens associated with such activity could be considerable. Applications for relatively small amounts of funding involved the same onerous process as for much larger sums. The burdens of application processes were regarded by some as a potential barrier to accessibility to EU programme funding, as smaller charitable organisations might not have the resources available to apply. Excessive reporting and monitoring requirements were seen by some as part of the same problem.
- 3.14 While there was recognition of the need for appropriate controls to ensure both value for money and propriety, there was also near universal belief that these goals could be achieved with reduced and more streamlined administrative burdens. Stakeholders consistently argued for a steady reduction in the level of administration and for a more proportionate approach to the management of EU funds. In this context, it is important to note that the new Erasmus+ programme includes the specific objective of reducing and simplifying administrative arrangements.¹⁰

⁸ Ecorys and Association of Colleges, *submission of evidence*, para 5 in both respective submissions.

⁹ *Record stakeholder event, 6 June, London.*

¹⁰ Note from the Council General Secretariat; *Presidency Discussion Paper* (31 January 2013), p82-85.



Annex A: List of Evidence Received

- Academic in the field of EU activity in education
- Anonymous member of the public
- Anne Corbett
- Association of Colleges
- Association of School and College Leaders
- Austrian Federal Ministry for Education and Women's Affairs
- British Council UK
- British Youth Council
- British Youth Council Focus Groups Report
- Bruges Group
- Brussels and Europe Liberal Democrats
- Council for the Curriculum, Examinations and Assessment
- Daniel King
- Dr Bryony Hoskins, Dr Jan Jermen Janmaat, Dr Michela Franceschelli
- Dr Deirdre Duffy
- Dr Sotiria Grek
- ECORYS UK
- Educational Centres Association
- European Commission
- European Forum for Vocational Education and Training
- Former senior civil servant (1)
- Former senior civil servant (2)
- GEMS Northern Ireland Limited

- Howard Williamson
- International Voluntary Organisation for Learning Opportunities
- Jasmin Simms
- Khalid Miah
- Million+
- Model Westminster
- National Council for Voluntary Youth Services (NCVYS)
- Department for Education – Northern Ireland
- Peter Marshall
- Prof. Nafsika Alexiadou and Assoc. Prof. Bettina Lange
- Romanca Society
- Russell Group
- Scottish Credit and Qualifications Framework Partnership
- Scottish Government
- Soundstudio
- Sue Maguire
- Thomas Mayr, Austrian Institute for Research and Development in VET
- European Association of Craft, Small and Medium-Sized Enterprises (UEAPME)
- Universities UK & UK Higher Education International Unit
- University of Salford
- University of Warwick
- Wallace Collection
- Welsh Government

Annex B: Engagement Events

A number of engagement events were held during the Call for Evidence period to explore the issues raised within the scope of the Education, Vocational Training & Youth Review.

Events organised by the Department for Education; Department for Business, Innovation and Skills; and the Cabinet Office were held in London, Edinburgh and Brussels and included representatives from agencies, delivery partners, educational institutions and representative bodies.

Attendees at Engagement Events Included:

Association of Colleges
British Council
Business for Britain
British Youth Council
Convention of Scottish Local Authorities
Ecorys
Education Scotland
European Commission
Model Westminster
National Council for Voluntary Youth Services
National Foundation for Educational Research
National Union of Students
National Union of Students Scotland
National Youth Agency
Plotr
Scottish Credit and Qualifications Framework
Scottish Government
European Association of Craft, Small and Medium-Sized Enterprises (UEAPME)
University Alliance
Universities UK and UK HE International Unit
University of Warwick

A number of individuals also attended events in a personal capacity.

Annex C: Other Sources

The following list is a non-exhaustive list of the main sources drawn upon in preparing the analysis.

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Appendix A: Glossary of Terms

Bologna Process

This is a European process for cooperation in higher education, outside of the EU structure. Currently, there are 47 European countries which are part of the process

Cedefop

The European Centre for the Development of Vocational Training – An EU agency which provides comparative analyses and research on vocational education issues.

Country Specific Recommendations (CSRs)

Recommendations drafted by the Commission as part of the European Semester. The Council discusses and the European Council endorses the recommendations.

Education & Training 2020

The strategic framework for education and training cooperation. EU countries have identified a range of common objectives and benchmarks to achieve by 2020.

Erasmus+

The EU programme for Education, Training, Youth, and Sport for 2014-2020.

Europass

Documents to make skills and qualifications easily understood in Europe – includes a CV and certificate supplements which describe qualifications.

Europe 2020

The European Union's ten-year growth and jobs strategy that was launched in 2010.

The European Credit system for Vocational Education and Training (ECVET)

A tool to describe work-related skills and knowledge in terms of learning outcomes; – so that skills acquired in different systems and countries can count towards vocational qualifications.

European Credit Transfer and Accumulation System (ECTS)

A credit system to describe higher education study programmes in terms of learning outcomes. It is designed to make study programmes more transparent and facilitate the recognition of qualifications.

European Institute of Innovation and Technology (EIT)

An EU agency that provides grants to ‘Knowledge and Innovation Communities’, composed of networks of existing businesses, research institutes and universities which work together around innovation projects and assist or fund individual innovators and entrepreneurs.

European Qualifications Framework (EQF)

This is a system used to compare national qualifications systems, and their levels, in order to make qualifications more readable and understandable across different countries.

European Semester

This is a yearly cycle of surveillance of Member States’ implementation of fiscal policies and structural reforms. Each year the European Commission undertakes an analysis of EU Member States’ programmes of economic and structural reforms and provides them with recommendations for the next 12-18 months.

European Training Foundation (ETF)

This is an EU agency which provides help to improve vocational training systems in non-EU countries, mostly in neighbouring regions such as the North Africa, the Middle East, the Balkans and the former Soviet Union.

Lifelong Learning Programme

The EU education programme from 2007-2013. It comprised four main sub-programmes: Comenius for schools, Erasmus for higher education, Leonardo da Vinci for vocational education and training, and Grundtvig for adult education.

Open Method of Coordination (OMC)

This is a system of voluntary intergovernmental policy cooperation. Member States compare policy practice and may be evaluated by one another, with the Commission’s role being limited to surveillance. The OMC can involve ‘soft law’ measures such as targets or benchmarks, or the requirement for Member States to draw up national reform plans and to forward them to the Commission.

U-Multirank

Launched in May 2014 by the EU, U-Multirank is a new participant-driven, world ranking of universities and colleges. It has financial support in its initial years from the European Union.

Youth in Action Programme

The EU programme to support cooperation in the youth field, including support for young people’s participation in voluntary activities, both within and outside the European Union. The programme ran from 2007-2013.