Further education colleges' (FECs) funding for undergraduate education has come through two routes: either funded student numbers allocated to the FEC directly from HEFCE (just as a university would receive them, though in smaller numbers) or, more usually, via what are known as franchise arrangements with a university, which transfers some of its own funded higher education student numbers to the FEC, which then recruits and teaches the students. FECs often have relationships of varying kinds with more than one university, and vice-versa: a complex web of relationships can thus arise. In both cases, the award for which the students are working is a degree of the university partner in question, usually a foundation degree, but sometimes a bachelor's degree. (A small number of FECs have now gained FD awarding powers.) For the sake of completeness, what are known as 'non-prescribed' higher-level courses, usually for professional qualifications, are funded by the Skills Funding Agency.

Our research, recently undertaken for BIS, throws some light on institutional behaviours (Parry et al., 2012). The university and FEC partners in these relationships have different goals, and are assessing different cost/benefit calculations. What is of interest is how these relationships are negotiated in these circumstances, and the resulting symbiotic nature of the resulting partnership. This might be seen as an example of what Michael Young has identified as 'a shift from insulated to connective specialization' (2000: 108), where distinct links are developed between discipline-based knowledge and professional or vocational knowledge and skills. It might also be seen as a challenge to Ronald Barnett's claim that there are 'two rival versions of competence' (1994: 157).

Although most FECs undertake higher education work, it is typically a small part of the total college economy, although there are 52 colleges each with over 1000 higher education students. Higher education work is invariably prized, as a public demonstration of the professional and academic expertise of college staff, and more broadly, of the college's institutional status. It allows the college to market itself to a wider group of potential students, notably those with appropriate entry qualifications but who are unable or unwilling to attend a university that may often be further away from home than is the college. The higher education courses also allow the college to manage the progression of students from lower-level courses onto degree work; and to provide its teaching staff with more varied and interesting work.

To gain these benefits, the college has to submit itself to the quality assurance processes of its partner university(ies), as well as to the QAA review process for FECs, known as IQER. It also has to pay to the university partner a proportion of the HEFCE and fee income that the higher education course generates. Often, separate teaching and perhaps social accommodation is provided in the college for the higher education work, at least in part to make it seem 'special', but imposing a further cost. Some colleges consider that the benefits clearly outweigh the costs; others are more ambivalent about the advantages they gain from the relationship.

From the perspective of the university partner, a different set of benefits and potential costs arise. The benefits may be classified as financial and engagement-related. There is a financial benefit from the payment the college makes (sometimes on a per capita basis, in other cases a flat fee for the course); universities, though, usually say that this income simply covers their costs, although no firm data are immediately available. Other non-financial benefits may include helping to meet the university's widening participation targets, in that students recruited by a FEC partner are more likely (though not necessarily) to fit widening participation criteria; and most universities questioned believed that it was important for them to make an 'engagement' contribution to local social and economic needs in this way. The potential costs for the university are largely reputational, were a serious failure of teaching to occur at a partner college. At first sight, it might appear surprising that a research-intensive university (say) is prepared to allow students to receive its awards when all their teaching has been undertaken in a vocational college largely devoted to non-degree work, but universities generally do not apparently see any real risk of 'devaluing' their degrees: they believe that their close relationship with the FEC, and the effectiveness of their academic quality processes, offer sufficient protection. Many of these relationships are of long-standing, with mutual respect built up over the years.

We observe, then, an institutional interaction where both partners aim to derive both financial and non-financial benefits. Perhaps surprisingly, the financial benefits appeared to be the least significant benefits, to both parties — which suggests that the symbiotic relationship rests on quite firm foundations. Careful management is required on both sides of this relationship to ensure that benefits are reasonably evenly spread; only managerially sophisticated organisations could manage this, and the relative institutional stability of both sets of partners must help. The interaction takes place around the point where higher and further education adjoin and the smoothness of the interactions observed suggests that the two activities are not, at least here, qualitatively different, but represent points on a continuum.

## References

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