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# **Sector Developments**

#### Planning regulations eased to help with the set-up of more new Free Schools, Studio Schools, etc

The Department for Education (DfE) had already approved the creation of a further 102 free schools (all of which are due to open sometime in 2014) and now, as part of the recent spending review, the government has announced that an additional 80 free schools and 20 University Technical Colleges (UTCs) are to be established. Despite cuts in public expenditure elsewhere, the government appears to be so keen to increase the number of free schools, UTCs and academies etc. they have changed the planning consent system to make it easier for them to be set up. Under the new planning rules (which actually came into effect on 30 May), it will be possible to change the use of most buildings (for example, those currently in use as business premises, hotels, residential institutions, cinemas etc) to allow them to be converted to schools without the need to obtain prior planning permission. Any proposal for a new school will, however, still be required to meet local planning regulations in respect of contamination, noise and transport implications. The Education Minister is also required to give approval for the site to be used as a school and must notify the local planning authority of its proposed opening date.

Meanwhile, the Labour Party appears to have changed its mind on free schools. From a position of total opposition, Stephen Twigg, the Shadow Education Minister has said that the party now thinks that they are quite a good idea. He also said that official party policy is that the freedoms enjoyed by free schools (and academies) should be also extended to local authority schools (including the freedom to employ specialists from industry and the professions as teachers without the need for them to hold teaching qualifications).

#### Ofsted Chief Inspector for England calls on the government to be tougher on FE colleges

The Ofsted Chief Inspector for England, Sir Michael Wilshaw, has once again engaged in what appears to be his favourite pastime of 'FE bashing'. As part of a lecture (or rant, depending on your point of view) recently given in Westminster's Church House, he re-issued his call for the government to 'shine a spotlight' on the FE sector and again questioned whether the sector was 'fit for purpose'. In his speech, Sir Michael drew attention to 'an apparent paradox' in that 'too few young people reach the age of 19 with the qualifications they need for employment', whilst at the same time, 'so-called success rates in colleges have been remarkably high'. Sir Michael claimed that this was 'palpable nonsense' and said that the high success rates were only achieved because colleges had 'focused on the volume of qualifications and not on the real needs of individual learners and employers'. He went on to say that this was 'an unacceptable situation', which was 'reinforced by the perverse incentives of post-16 funding streams'.

In another part of his speech, Sir Michael said that he was 'encouraged' by the government's response to his annual report last year in which he more or criticised general FE colleges. He went on to say that the government's recent 'Rigour and Responsiveness' strategy document had 'set a new welcome tone of high expectations and rapid intervention' where failure or inadequacy was identified'. Sir Michael also welcomed the establishment of a Further Education Commissioner, saying that this 'would be an important position in an increasingly complex post-16 landscape'. Echoing the Foster Report of several years ago, Sir Michael went on to criticise those colleges that had 'opted for a broad generalist approach rather than focusing on specialist vocational provision, and added that although 'this might be appropriate in some areas' it would undoubtedly 'be less so in others'. Because of this, he argued that 'in the case of poor quality large generalist FE providers, radical measures would be needed'. Sir Michael then turned his attention to the level of employer engagement in FE colleges, which he said needed to be 'strengthened greatly'. He went on to say that more employers should be in colleges 'advising on the curriculum and providing young people with the direct experience of work'. He also argued that apprenticeships were 'the best way of developing young people's vocational skills' and called on the government to implement the recommendations of the Richards Review in full. Sir Michael concluded his tirade against FE by recommending that 'the government should be more prepared to dismantle inadequate colleges that have grown too large to assure quality across their different activities'. Where this was the case, Sir Michael said

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that 'smaller specialist units, including University Technology Colleges, should be created with stronger links to business, commerce and industry'. Many observers think that Sir Michael should stop mucking about and just come right out and say what he really thinks about FE.

## One million more people obtain vocational qualifications

Meanwhile, recently published government data reveals that more than 6 million people were awarded a vocational qualification in 2011/12. This is an increase of around 1 million compared with 2010/11. Other research published by City & Guilds shows that in 2011/12, MPs spent four times more parliamentary time debating issues relating to academic education than they did debating issues relating to vocational education. The research also found that nearly 90% of MP's had followed the traditional academic route to obtaining qualifications. City & Guilds argues that these findings 'raise questions about how much policy makers truly understand about the value of vocational education'. As a result, the awarding body has called for 'more to be done' to ensure vocational qualifications are given a fairer share of the time allocated for parliamentary debate, arguing that 'only this will raise awareness of the crucial role that vocational education plays in equipping people with the skills they need to enter employment and fill the ever growing skills gaps'

A government minister, who was invited to comment on the research findings, allegedly said 'Of course, we think that vocational education and training is awfully important and this is why we are investing such a huge amount of public money in apprenticeships'. He went on to add, 'otherwise one is never going to be able to employ a good cook or nanny, or to get one's duck house in one's pond repaired'. However, when asked if he would be encouraging his own children to take up an apprenticeship, the minister was alleged to have replied, 'well, Leo is still in prep school, but Piers and Hugo are boarders at Westminster, and if they are to go up to the same college at Oxford as I did when they finish in the upper sixth, they're jolly well going to need to get a good crop of A Levels, and I'm not sure that you can get these through an apprenticeship'. (I think I may possibly have made this last paragraph up).

#### 'Bring back Polytechnics'

The Further and Higher Education Act 1992 transformed the old polytechnics into 'new' universities. Polytechnics had a distinct vocational emphasis, tended to serve a defined local catchment area and had strong links with local employers. But as they transformed themselves into 'new' universities they were accused of attempting to emulate the 'old' universities, in that they succumbed to 'academic drift', sought to recruit their students nationally and internationally rather than locally, paid less attention to the needs of local employers and local industry, and generally placed less importance on their vocational 'roots'

However, the final report of the Commission on the Future of Higher Education, recently published by the Institute of Public Policy Research (IPPR), argues that large FE colleges with a high proportion of higher education provision should become the 'new polytechnics'. The report also recommends these new polytechnics should offer new '£5,000 fee-only degrees that focus on vocational provision' arguing that this would help to 'widen participation in HE by engaging older students with work or family commitments, or those from disadvantaged backgrounds or deprived areas, who may not otherwise be able to pursue degree level study'. The Commission was chaired by Nigel Thrift, the vice-chancellor of the University of Warwick, who said that 'a different title would protect a distinctive role for higher vocational learning that was lost in 1992', and went on to say that resurrecting polytechnic status 'would carve out a distinctive place in our tertiary education system for those institutions that focus on providing higher level vocational qualifications'. The Association of Colleges (AoC), whilst welcoming the report, has responded sceptically to the Commission's proposal to reintroduce polytechnics. This is largely because of fears that the emphasis given to those colleges with a high volume of HE provision could lead to the FE sector becoming even more fragmented than it is at present.

However, one of the undoubted problems facing the FE sector generally is that, unlike the primary, secondary and higher education sectors, the FE sector suffers from a lack of a distinct identity. Lord Adonis is reported to have said that he 'couldn't see the point of a general FE college'. Another critic said that,

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unlike other educational sectors, it was difficult for FE to identify with a 'level' and because of the wide age range of college students and the plethora of subjects and qualifications offered at all levels up to five, FE 'struggled to be recognised as a cohesive sector'. This lack of unique identity has undoubtedly had a negative impact on the level of public recognition and understanding of what FE colleges are and the importance of what they do. In addition to this, unlike the term 'university', the term 'college' is not protected in law. Because of this, secondary schools and academies are increasingly describing themselves as 'colleges', head teachers have become 'principals', school management teams include 'vice principals' and 'assistant principals' and pupils have become 'students'. Despite being neither a university nor a technical college, some schools have become 'university technical colleges'. Many private training organisations also now describe themselves as 'colleges'. Even those dubious organisations that exist merely to provide student visas as a way of circumventing immigration controls, refer to themselves as 'colleges', although the term is now usually prefixed with the word 'bogus'.

Perhaps one way of giving a distinct identity to FE colleges and of distinguishing them from this other plethora of 'colleges' would be to call them 'polytechnics' instead (irrespective of volume of HE provision offered), and then to protect the name legally. The change of name to 'polytechnic' could be justified by the fact the vast majority of FE colleges offer a very much wider range ('poly') of technical and vocational provision ('technic') than local authority schools, university technical colleges, free schools, studio schools, academies, private colleges (bogus or otherwise) and private and voluntary sector training organisations. Not only would re-naming FE colleges 'polytechnics' help to give public FE sector the distinct identity and public recognition that it so badly needs, it might also help to get rid the ignominious terms 'provider' and 'learner', that were introduced by the now defunct Learning and Skills Council (LSC), presumably in the attempt to ensure that a large and successful FE college would be afforded no more status or dignity than a struggling private sector trainer. Many in the FE sector have long regarded 'provider' and 'learner' being as terms that denigrate the status of colleges and their students, particularly since these terms are not applied in the schools and HE sectors, and would no doubt be strongly objected to if they were to be. (Can you imagine the reaction of a vice chancellor if his or her university was referred to as a 'provider' and the students within it were referred to as a 'learners'?) And if the FE sector was to be allowed to develop and accredit its own vocation qualifications framework, this would further help to consolidate its unique identity and be much cost effective than paying fees to external examination bodies.

### **Expenditure on exam fees rocket**

Ofqual's annual report reveals that exam fees paid by schools have more than doubled from £154 million in 2002/03 to £328 million in 2010/11. As a result, Ofqual now intends to investigate the amount that FE and sixth form colleges spend on exam fees. The huge increase in exam fee payments is believed to be partially explained by:

- The increase in the number of qualifications available. (Between 2006/07 and 2010/11 the number of different qualifications available to schools and colleges increased by almost 10,000, from 8,150 to 18,100. Much of this increase was accounted for by the introduction of the Qualifications and Credit Framework (QCF), which by 2010/11 had added around 9,700 qualifications).
- The increasing number of additional fees being charged, such as late fees or re-sit fees
- Pupils being entered for more examinations
- A shift towards qualifications that have higher fees.
- Examination Boards generally charging higher fees in response to higher operating costs

Commenting on the impending investigation into FE and sixth form colleges' expenditure on exam fees, an Ofqual spokesperson said, 'we want to find out what has caused such an increase in spending on exam fees in recent years, and to find out if a change in the way examination services are purchased might result in schools and colleges saving money'.

Perhaps one way the government could save money on exam fees would be to allow the FE sector to develop its own qualifications framework and accreditation system. This could be done in consultation

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and/or partnership with employers and other key stakeholders. The qualifications developed could be subject to external validation and moderation, as were the old Ordinary National Certificates and Diplomas and Higher National Certificates and Diplomas, (for those of you old enough to remember them). With 14 main sector subject areas, 5 main levels of study and 2 main modes of attendance, how hard could this be? After all, if the government trusts organisations such as MacDonald's and Elmfield Training to develop and accredit their own qualifications, then why shouldn't they trust the FE sector to do so as well?

# Proposal to replace GCSEs with 'I Levels'

The Secretary of State for Education, Michael Gove has come up with his third set of proposals for reforming GCSEs. For those of you who might be finding it a bit difficult to keep up. Mr Gove thinks that reform is necessary because GCSEs in their current format 'lack academic rigour' and 'rely too much on incourse assessment'. His first proposal was to replace GCSEs with what was, in effect, a reincarnation of GCE O Levels, but when this was rejected, he then proposed that GCSEs should be replaced by an English Baccalaureate (EBacc). This also floundered, but undeterred by these earlier setbacks, Mr Gove has now proposed that GCSEs should be replaced with a new qualification called the 'I level', with the 'I' bit apparently being an abbreviation of the word 'Intermediate' (although given the large numbers of youngsters currently taking their GCSEs, he might perhaps have picked a better time to let them know that he thinks that the current GCSEs are worthless). If and when implemented, the new I Levels will be taken by pupils who are currently in year 7 at school and will see the current GCSE A\* to G grades scrapped and replaced by a numbering system from 1 to 8, with 8 being the highest grade. It would seem that this is intended to help 'future proof' the I Level. For example, should Mr Gove have any suspicions that exam boards might be engaging in another 'race to the bottom' with each other, he can simply add even higher grades (e.g. 9 or 10) that are more demanding. The introduction of the I Level will inevitably impact on the proposals for the 8 new examinations scheduled to be introduced in England in 2015, covering the 'core' subjects of English, mathematics, physics, chemistry, biology, double science, history and geography (with other subjects scheduled to be reformed in later years). Since it seems unlikely that coursework will be included as part of the formal assessment of these 'core' subjects, (apart from double science for some reason), the introduction of the I Level is expected to lead to fundamental changes in the way in which these subjects will be taught and assessed. Unlike Mr Gove's earlier proposals, it also seems likely that. this time, the I Level might actually get to be implemented. For one thing, the I Level is apparently supported by Glynis Stacey, the head of Ofqual (the examinations regulator for England), who has arranged for an official consultation document to be published in the very near future.

The devolved governments of Wales and Northern Ireland had already rejected Mr Gove's earlier plans for GCSE reform (and let's face it, an 'English' Baccalaureate was never going to be all that popular in Wales) and now they have been swift to reject his latest proposals for an I level as well. The education ministers of both of these countries have re-stated their intention to retain GCSEs more or less as they are, including existing modular and in-course assessment. In addition, the Welsh education minister, Leighton Andrews has said that not only will modular GCSEs be retained in Wales, but that modular GCE A Levels, including the AS level in its current form, will also be retained. Scotland has always had a separate accreditation system and is currently engaged in reforming its own qualification arrangements, one aspect of which is to place even more emphasis on modular and in-course assessment.

The outcome of all this is that the replacement of GCSEs with I Levels is only likely to take place in England. This is by no means unusual. Most of the new 'initiatives' and 'reforms' in education and other public services (e.g. health), that are introduced by the UK government in Westminster, only affect England. For example, England is the only country in the UK where people have to pay for their prescriptions and for hospital car parking, where elderly infirm people have to sell their homes to pay for their care and where local councils are facing average cuts of around 10% to their budgets in the next spending round, whereas in the recent spending review, the Chancellor of the Exchequer, George Osborne has asked the devolved governments to make savings of less than 2%.

There are 117 MP's in Westminster from parliamentary constituencies in Scotland, Wales and Northern Ireland. Many of these are members of nationalist parties such as the Scotlish National Party (SNP), Plaid

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Cymru and Sinn Fein. They have virtually no say in any of the legislation introduced in their own countries because this has now been devolved to members of the Scottish and Welsh Parliaments, and of the Northern Ireland Assembly. Although these Westminster MPs cannot vote on issues that affect their own countries, they can, and frequently do, vote on issues that affect just England. This means that they will be able to vote on the education bill that will introduce I Levels in England, just as they were able to vote on the earlier legislation that raised annual university tuition fees for English students to a maximum of £9000 and abolished Education Maintenance Allowances (EMAs) for disadvantaged English 16-18 year old students. This was at the same time that members of the Scottish and Welsh Parliaments and of the Northern Ireland Assembly voted to continue to provide EMAs for their own disadvantaged youngsters and, in Scotland, to continue to provide free university tuition, and in Wales and Northern Ireland, to maintain university tuition fees at around one third the level of fees paid by English university students. Meanwhile, English students are charged fees of £9000 per year to attend a Scottish University, whereas students from all other non UK EU countries attending Scottish Universities are not required to pay any tuition fees at all.

### Ofsted report on Foundation Learning and its lessons for the new 16 to 19 Study Programmes

As you will no doubt be aware, foundation learning provision was targeted at learners aged 14 to 18 working towards entry level or level 1 qualifications to help them to progress to level 2. It was also designed to help meet the needs of learners with significant learning difficulties and/or disabilities up to 24 years of age. Foundation learning was the successor to Entry to Employment (E2E). Like E2E, the main aim was to help learners progress into full-time education or training, onto an apprenticeship or into employment. However, unlike E2E, it also required learners to work towards recognised qualifications.

From August 2013, learners at entry level and level 1 will be enrolled on the new 16 to 19 Study Programmes. Like Foundation learning, the new study programmes aim to support learners' progression to higher level qualifications in further education, on to apprenticeships or into employment with training. Ofsted has recently published a report entitled 'Lessons from the Foundation Learning provision for the new 16 to 19 Study Programmes', which aims to identify whether there are any benefits from the Foundation Learning programme which could be carried forward to the new 16-19 Study Programmes at all levels up to three. The report contained the findings of a survey conducted by Ofsted inspectors that analysed evidence from a sample of 59 independent learning providers and community learning and skills providers delivering Foundation Learning provision to 16–18 year olds. For reasons known only to Ofsted, FE and sixth form colleges were not included in the survey (although most colleges are unlikely to feel upset at being left out).

The main findings of the report are as follows:

- The overall judgement profile for Foundation Learning provision was lower than that for E2E
- In 2010/11 and 2011/12, progression rates into full time education or training, on to an apprenticeship or into employment with training were low at an average of 50% and 49%, respectively
- Achievement of functional skills qualifications in English and mathematics was low, especially at level 1
- Overall, the quality of teaching and learning was not good enough
- The availability, use and quality of work experience placements were poor
- Learners received good care and support, and providers placed a high emphasis on learners' welfare
- Access to, and the quality of, impartial advice and guidance on progression opportunities for learners varied too much
- Too few providers used data effectively to analyse performance and inform planning
- Providers worked very effectively with partners and other local organisations
- The planned number of hours for learners to attend the provision varied considerably from around 12 hours a week up to 30 hours per week.

### Ofsted judgements on non-qualification provision within the new 16-19 Study Programmes

The introduction of the new 16-19 Study Programmes coincides with the introduction of a new Education Funding Agency (EFA) funding methodology for 16-19 provision, whereby providers receive a fixed level of

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funding in return for the delivery a coherent study programme involving a minimum of 600 guided learning hours (glh) per year. Within this total, post 16 providers will be required to design and deliver a more personalised curriculum for their students. In addition to the main qualifications studied, there is an assumption that study programmes will include personal social and employability skills and other non-qualification provision. When carrying out inspections, Ofsted inspectors will make judgements about the quality of this non–qualification provision and this requirement will need to be factored into course planning. The Ofsted Chief Inspector for England, Sir Michael Wilshaw has said that inspectors will be focusing 'on the impact that non-qualification provision has on the overall attainment and progress of learners'. This is likely to involve inspectors evaluating the extent to which non-qualification provision helps students to:

- Develop personal, social and employability skills
- Progress to courses leading to higher level qualifications
- Progress into jobs that meet local and national needs
- Have access to appropriate high quality 'enrichment' provision in areas such as:
  - o Personal finance
  - Leadership
  - Sport
  - Initial advice and guidance
  - Careers education and support with Higher Education applications
  - Work experience
  - Skills for independent living and travel (for students with learning disadvantages and disabilities)
  - Volunteering and community support activities.

#### All FE colleges, including those deemed to 'require improvement', can deliver new Traineeships...

Last month (May), the minister for Further Education, Skills and Lifelong Learning, Matthew Hancock launched the framework for the new Traineeships. During the launch, Mr Hancock announced that only those providers that were graded by Ofsted as being 'outstanding' (grade 1) or 'good' (grade 2) would be allowed to run them. However in details recently published by the Skills Funding Agency (SFA), it appears that providers who are deemed by Ofsted to 'require improvement' (grade 3), and even providers that have never been inspected by Ofsted, will also be eligible to deliver Traineeships. In addition to this, subcontractors that have been judged to be grade 3 will be able to deliver traineeships providing they are on the SFA's sub-contractors' register at the start of May and their main contractors have been judged by Ofsted as being 'good' or 'outstanding'. Unregistered grade 3 sub-contractors, or those registered after May, will not be allowed to run the scheme. In addition, no provider judged by Ofsted as being 'inadequate' (grade 4) or those served with a 'Notice of Concern' (NoC), will be allowed to deliver Traineeships. An SFA spokesperson added that 'we will review provider eligibility on a regular basis to reflect any changes in Ofsted ratings'.

### ....but won't receive any additional funding for doing so

However, as far as colleges are concerned, this may prove to be an irrelevance. This is because it now appears unlikely that they will receive any additional funding for the delivery of Traineeships. The explanation given for this is that the DfE has apparently earmarked all of the additional £12 million of funding being made available for Traineeships to pay specific private training providers through their SFA 16-18 apprenticeship contracts. An SFA spokesperson said, 'Providers of 16-18 apprenticeships that *only* hold a contract with us will receive a ring-fenced budget to deliver the traineeship offer, alongside their funding allocations for 2013/14'. This has led to suspicions that the government would prefer to see private trainers, rather than FE colleges, deliver Traineeships. This does not necessarily mean that colleges will be unable to deliver Traineeships; however it does mean that no additional funding will be allocated to them to do so. Commenting on this, a DfE spokesperson said 'Traineeship funding will *not* be on offer to providers with EFA contracts' (which includes most colleges), and went on to say that this was because Traineeships would 'replace other level one and two programmes that were already EFA funded', adding that 'current

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funding was therefore expected to cover traineeship costs for those with EFA contracts'. The news that there would be no additional funding for Traineeships for those holding EFA contracts was communicated to colleges in a letter that said 'If you hold a contract or funding agreement with the EFA only, or a contract with the EFA and a contract with the SFA for 16-18 apprenticeships, you will be funded to deliver by the EFA through your existing EFA contract and through the numbers included in your lagged student numbers' (and you can't make it any clearer than that).

Meanwhile, as part of the recent spending review, it has been announced that from August this year, eligibility to participate in Traineeships is to be extended to those aged 19-24.

### National Audit Office (NAO) to investigate the EFA, again

The NAO is in the process of conducting yet another investigation into the EFA's operations. This time the investigation is to ascertain whether the EFA 'is prepared to meet future challenges', with the NAO expected to publish a report of its findings later this autumn. The EFA currently holds responsibility for the oversight of financial management and governance in academies and the last NAO investigation examined the effectiveness with which the agency was managing the expansion of the Academies Programme. The NAO found that the EFA had 'experienced difficulties in meeting the staffing requirements needed for administering funding and monitoring financial management and governance'. As a result, the NAO recommended that the DfE should 'keep a closer eye' on EFA spending. This was a view that was reflected in a subsequent Public Accounts Committee (PAC) investigation, the report of which recommended that the EFA should 'improve its financial management and controls and strengthen its audit arrangements'. However, a spokesperson for the DfE defended the EFA, saying that the agency 'had always challenged academies if they believed that funds were being spent inappropriately'

#### SFA writes off £6.2 million

Around £6.2 million of SFA cash was written off in 2012/13. Around £6 million of this was largely accounted for by contracts entered into with four private training providers, all of which went into liquidation. The 'write offs' related mainly to contracts allocated for workplace training and apprenticeships, including Train to Gain. Asked to comment on this, an SFA spokesperson explained that 'the agency has done everything it can to ensure the recovery of funds is maximised and only writes off debts as a last resort'. The spokesperson went on to say that 'while £6 million is a significant amount in absolute terms, in relative terms, it represents only 0.15% of the total funds allocated to more than 1,000 colleges and training providers during that year'.

#### New SFA funding methodology means that the some providers' funds could be cut by 25% or more.

The long awaited new SFA funding methodology will be introduced with effect from August 2013. The new methodology was developed over the last 18 months in partnership with an advisory group that included college and other provider representatives. The aim of the new funding methodology is to produce 'a more streamlined funding system'. However, although it was always understood that there would be 'winners and losers' when the new methodology was implemented, it has only recently become clear what the potential magnitude of the changes in funding would actually be. The implementation of the new methodology in 2013/14 will potentially result in some providers experiencing a reduction of 25% or more in their SFA income in return for delivering the same volume of provision as they did in 2012/13. Because of this, the SFA is introducing measures which are designed to 'smooth the impact' of the new funding system, both for the winners and for the losers, since it now seems that the extent of 'smoothing' required for some providers will be massive. The 'smoothing' mechanism involves all providers being allocated a 'transition factor', the aim of which is to allow the extent of the impact of the new funding methodology on the provider's cash earnings for the same volume of delivery to be ascertained. The transition factor is derived from the latest full year data from 2011/12 and will be used to generate an adjustment (which maybe positive or negative) to the earnings of providers. This is as follows:

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- A provider allocated a transition factor of 1.0 means that the cash earnings of that provider will, for the same volume of delivery, remain largely unchanged
- A provider with a factor of less than 1.0 will be those whose cash earnings will fall for the same volume
  of delivery
- A provider with a factor of greater than 1.0 will be those who are likely to increase their cash earnings for the same volume of delivery.

As a crude example of this, assume a provider with a £20 million SFA allocation in 2012/13 is given a transition factor of 0.8 for 2013/14. This means that provider would be required to deliver what was the equivalent of £24 million of SFA funded activity in 2012/13 to generate the £20 million in 2013/14. Alternatively, if the same volume of provision was delivered in 2013/14 as in 2012/12, the provider would face a £4 million reduction in cash earnings. Assuming the same volume of contracted provision is delivered, the SFA 'smoothing mechanism' will aim to ensure that a provider's total cash earnings remain within 3% of what it would have been using the 2012/13 funding methodology. Total 2013/14 SFA allocations to providers (finalised at the end of March 2013), will remain unaffected by this and the SFA says that it will keep transition factors under review, particularly where the volume of provision delivered by a provider changes significantly compared to that in the previous year. Although the aim is to 'simplify' the funding methodology, there are lots of other technical changes. For example, if a student drops out of a course at any stage in the year, 50% of the funding for that student is lost. For those of you interested in such things, you can access the details of the new funding methodology on the SFA website

### Further falls in 16-18 apprenticeship take up leads to cuts in the 16-18 apprenticeship budget

In response to a projected under-spend in 2012/13 the 16-18 apprenticeship budget for 2013/14 has been cut by £166 million (or around 20%) to £684 million. Members of the House of Commons Education Select Committee were told by DfE civil servants that the reasons for the under spend included the following:

- The removal of poor quality provision
- Increased competition for apprenticeship places from applicants aged 19+ (funded by BIS)
- Adverse economic conditions facing businesses in some regions and sectors
- Changes in the cost of apprenticeship programmes taken up.

The number of 16-18 apprenticeship starts in the first half of 2012/13 stood at around 69,600, representing a 12% reduction on the 79,100 starts recorded over the same period in 2011/12. By way of contrast with this, the number of 19-24 apprenticeship starts in the first half of 2012/13 grew by 6.5% compared with the previous year. The decrease in 16-18 apprenticeship starts in 2012/13 is a continuation of the contraction seen last year, when 16-18 starts fell from 131,700 in 2010/11 to 129,900 in 2011/12.

### Research to be conducted into barriers to participation in part time higher education

Participation in part time higher education has declined dramatically over the last 6 years. However in 2012/13 there was a massive contraction of over 40% compared with 2011/12. This coincided with the introduction of much higher part time HE tuition fees in England in that year. In response to this rapid decline, the AoC and the Department for Business, Innovation and Skills (BIS) are jointly funding a research project into the 'reasons for the downturn in part-time higher education participation'. The research will also analyse 'the factors which impact on the expansion of higher education capacity within FE colleges' and will 'seek to identify barriers to the expansion of higher education in FE colleges'. In addition, the research will also be used as the basis of recommendations on how FE 'can be supported to develop their higher education offer'.

Commenting on the project, the Minister for Universities and Science, David Willetts said, 'FE students studying for higher level qualifications are more likely than university students to be over 25, part-time and come from areas with low rates of participation in higher education'. He went on to say that, because of this it was 'an important study that will help us in our drive to create a more diverse HE sector with more

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opportunities for part-time or accelerated courses, distance learning and higher level vocational study'. The research project will be conducted by the Centre for Widening Participation Policy Studies at the University of East London over a two year period.

#### Low take up of 24+ Advanced Learning Loans

The 2013/14 academic year sees the introduction of 24+ Advanced Learning Loans in England. However, concerns are already being expressed about the alleged 'low levels' of applications for the new loans. The SFA has allocated £232 million in loan facilities to nearly 800 training providers for the 2013/14 academic year, (which means that around 80,000 learners could be granted an average loan of £3,000 each). Also, BIS has established a £6.5 million development fund to help providers with loan facilities to market them to potential applicants. However, the Student Loans Company (SLC), which administers the scheme, has revealed that, in the first 3 weeks after the launch of the scheme, only 338 learners had applied for loans. Of these, 198 applicants had had their application 'processed', the lender was waiting for 'final signatures' from 116 applicants and 7 applicants had been declared ineligible for a loan. The SLC also said that, of these, 75 learners 'were ready to be allocated a loan to pay fees for courses starting this September' (the average loan amount was £2,950). When asked to comment on the apparent low take up of loans, a BIS spokesperson dismissed concerns and insisted that 'the system is up and running as planned'.

### **Further Education and Skills Simplification Plan**

BIS is co-ordinating the development of a 'simplification plan for reducing the bureaucratic burdens imposed on the FE sector by government departments and intermediary bodies'. As part of this process, BIS has formed a stakeholder panel called the Further Education Reform and Performance Board (FERPB). The Board includes college principals and representatives from the government departments and agencies who work with the FE sector. The Board meets quarterly and will monitor progress in reducing bureaucracy against the targets set in the simplification plan. The Board is also tasked with challenging policy makers, as they develop new vocational education policies, 'in order to ensure that bureaucracy does not creep back in'. The simplification plan and the creation of the FERPB are both direct responses to recommendations made by the NAO and the PAC in respect of reducing bureaucracy in FE. BIS claims that achievements to date include:

- The simplification of audit and data collection requirements
- The simplification of funding systems
- A reduction in number of intermediary bodies
- A toolkit for employers to help them take on apprentices.

Meanwhile, as part of the recent spending review, although spending on schools in England will not be cut, BIS is facing cuts to its budget of around 6%

#### Reduction in levels of work experience bureaucracy

All government ministers with responsibility for vocational education and training have collectively written an open letter to employers announcing that plans are in the process of being developed to simplify health and safety requirements in respect of work experience. This is in order to make it easier for employers to offer work experience placements to school and college students. Under the proposed arrangements, employers will not be required to undertake any special risk assessments for young people on work experience, or have to repeat the same assessment for every work experience placement, where the circumstances are exactly the same. The Health and Safety Executive have issued revised guidance to employers on work experience in support of this initiative, and Ofsted and the DfE will shortly be publishing guidance on how Ofsted will inspect health and safety in respect of work experience in the future. The Association of British Insurers has also issued a statement reassuring employers that they will not have to take out special insurance policies to cover students whilst on work experience. The new guidance is likely to make it clear that it will not be a requirement for schools and colleges to undertake detailed checks on

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employers' health and safety arrangements, and that employers offering work experience placements need do no more in respect of health and safety than they would normally do for one of their own employees.

What isn't quite clear, as yet, is if a student is injured whilst out on work experience, who it is that gets the blame.

### And finally......

A college was expecting an imminent 'short notice' Ofsted inspection. The college had been judged as 'satisfactory' at the last 2 inspections and one of the areas judged by inspectors as needing improvement was student punctuality. Teaching staff were therefore paying particular attention to getting their students to turn up on time for classes. Students that were late were robustly challenged by their teachers and were asked to give the reasons for their lateness. One afternoon, a student turned up over an hour late for his class and the teacher confronted him and asked him to explain why he hadn't turned up on time. 'I'm really sorry I was late', said the student, 'but my 94 year old granddad got burnt'. 'Oh dear', said the teacher, 'I hope he wasn't badly burned'. 'Well,' said the student, 'they don't usually mess about at the crematorium'.

## Alan Birks - June 2013

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