

SECTOR DEVELOPMENTS...

THE EDUCATION AND SKILLS FUNDING AGENCY PUBLISHES LATEST COLLEGE ACCOUNTS

The ESFA has published its latest database of college finances for the year ended 31 July 2018. The files contain colleges audited financial accounts submitted to the ESFA by 31 March 2019. Not all colleges have submitted their accounts yet and the ESFA says that it will publish updated files later in the year. The ESFA says that it does not 'validate or cleanse finance records included in the data release' and that it is 'not responsible for any decisions or judgements made using the information'. The college accounts database and definitions of the data fields used can be found at:

<https://www.gov.uk/guidance/esfa-financial-management-college-accounts>

NEW INTERVENTION REGIME FOR COLLEGES INTRODUCED

Following the introduction of the new college insolvency regime in February and the withdrawal of the Restructuring Facility in March, earlier this month (April) the Department for Education (DfE) published a new policy document entitled '*College oversight: Support and Intervention*', the contents of which have come into force with immediate effect. The document outlines the different levels at which intervention will be initiated in respect of those colleges in England that are experiencing financial difficulties. There are four phases to the new 'support and intervention' regime depending on the severity of the financial difficulties a college faces and these are listed below:

- **Prevention phase:** All colleges are already subject to regular risk reviews by the ESFA. If the need for intervention is identified by senior local ESFA staff, the document says that 'action taken as part of the prevention phase will be proportionate to the risk and circumstances'. The aim of this phase is to provide the college with the support they need to help them with their awareness of the risks and issues they face and to encourage them to take the action *before* they become more serious problems in the future. This support might, for example, involve the ESFA commissioning more detailed analysis by college auditors on the management of the college, its financial health, regulatory compliance and an analysis of the college's management accounts. It might also include providing a commentary on ratios, such as staff costs as a percentage of turnover, cash flow forecasts and the adequacy of reports to governors.
- **Early intervention phase:** If a college is deemed to be at 'risk of becoming insolvent within two years' or has 'significant cash flow pressures' it will be escalated into the 'early intervention' phase. This will usually involve the college being issued with a formal 'notice to improve' and the ongoing attendance of ESFA officers at full governing body meetings. In addition, the ESFA will 'use levers within its grant funding agreement with colleges' to require more detailed information from the college to help the ESFA identify *why* the college is at risk of failure and *what* the college is doing to reduce that risk. The ESFA will also expect the college to put in place a robust plan to identify actions that will lead to the reduction of risk and return the college to financial stability.
- **Formal intervention phase:** A college will be placed into the 'formal intervention' phase if:
 - It requests emergency funding at any time.
 - It has cash flow issues that become 'serious'.
 - It has experienced 'debt recovery slippages' including failing to pay back loans on time or where their bank takes action as a result of the college being in breach of covenants.
 - It has had Investigations related to allegations of financial mismanagement and/or governance and/or funding audits and/or other significant fraud or fraud practice upheld.
 - There is evidence of financial practice taken by an accounting officer (usually the principal) that is 'not in the best interests of value for money, the protection of public funds, the effective delivery of service for learners, or does not meet the public benefit test'. This will 'include, but is not limited to, related party transactions and evidence of action taken by an accounting officer and/or governors outside of the college's financial controls and/or policies'.

- There has been a non-compliance with ESFA rules on sub-contracting.
- It fails to submit its financial accounts to the ESFA within 30 days of the published deadline or 30 days of any agreed deadline beyond the published date.

Formal intervention normally involves diagnostic visits carried out by the FE Commissioner followed by stronger intervention action for colleges that fail to improve or to demonstrate sufficient progress in resolving problems. Where there are concerns about the capability of college management and/or governance to address the issues that led to intervention, the college may be placed into 'Supervised College Status' and the Commissioner may make recommendations for changes to college management and/or governance, and/or the imposition of conditions or restrictions on funding, and/or further actions deemed to be in 'the best interest of local learners and employers'. If these measures prove to be insufficient to resolve issues, the college will be escalated to the 'restructure or exit' phase.

- *Restructure or exit phase:* This is intended to help identify an appropriate structural solution which might involve the college being merged with another institution, or the 'disaggregation' of the college with parts transferred to other institutions, which will result in the college becoming a smaller institution, or the complete dissolution of the incorporated body and the closure of the college.

Meanwhile, the DfE has confirmed that limited emergency funding may be available, but that it will be allocated on a 'case-by-case basis' and, if provided at all, it will be at the minimum required to keep the college solvent while the new support and intervention strategy is applied. The DfE has also warned that colleges *will* be placed into administration, if this is judged to be the most cost-effective way of securing future provision in the area. A copy of 'College oversight: Support and Intervention' can be found at:

<https://www.gov.uk/government/publications/college-oversight-support-and-intervention>

NEW INTERVENTION REGIME COULD LEAD TO 'LOCAL AREA REVIEWS'

In the document, the DfE also says that 'in order to help determine whether current provision is having the maximum impact and benefit for local learners, employers and the wider community', it may initiate FE Commissioner led local area reviews. The triggers for this might include the risk of insolvency of one or more local colleges, changing student number recruitment or demographics, local skills needs not being met, or evidence that too much local provision is judged by Ofsted as inadequate or requiring improvement. On completing a local area review, the FE Commissioner might recommend such things as college mergers or demergers, the closure of a college with its assets, liabilities and provision being transferring to another institution, or the downsizing or the closure of a college with land, premises or other assets deemed to be surplus to local requirements being sold off. Conversely, the FE Commissioner could also recommend that the DfE should consider whether there is a need 'to create new capacity in response to gaps in provision or the potential closure of a college'. College leaders have been quick to express their disappointment that only local FE and sixth-form colleges will be included in such reviews while, once again, school sixth-forms and independent training providers will be exempt.

NEW INTERVENTION REGIME FOR INDEPENDENT TRAINING PROVIDERS (ITPS) INTRODUCED

Private sector training providers in receipt of ESFA funds are also to be subjected to a new intervention regime. Previously, the ESFA only intervened when an ITP was judged inadequate by Ofsted, and/or failed to meet minimum standards and/or financial health requirements. However, the ESFA has now introduced a new intervention strategy for ITPs the aim of which is to 'eradicate low quality training provision, protect learners and public funds'. The new strategy will come into effect on 1 August 2019, although the ESFA says that, for one year only (to the end of 2019/20), it will continue to use 2018/19 data to apply the existing rules on minimum standards in respect of intervention in apprenticeship provision. This exception, says the ESFA, is because 'reformed apprenticeships require a more fundamental review as we move from frameworks to standards'. The ESFA operational guidance on the new intervention strategy provides more detail in respect of strengthened contractual controls to be imposed on ITPs. These include the following:

- All ESFA contracts with ITPs will require them to provide an 'exit plan' setting out how the ITP will assist the ESFA to transfer learners to other providers. This is intended to ensure that, should an ITP cease

trading (for example Carillion and 3aaa), there is 'stability and clarity for learners and the sector and a reduced risk to public funds'.

- ITPs will be allocated individual named ESFA contract managers who will maintain 'regular contact, including as appropriate, face-to-face meetings to review contract performance, compliance, financial position, quality, capacity, or other risk factors'. If they think this is necessary, ESFA contract managers will be contractually entitled to require ITPs to provide information such as their management accounts and/or a rolling 12-month cash flow forecast, audit reports, in-year recruitment, retention and learner progress profiles, and feedback from learners, staff and employers.

A copy of the ESFA operational guidance on the new intervention strategy can be accessed at:

<https://www.gov.uk/government/publications/how-esfa-maintains-oversight-of-independent-training-providers-itps>

DFE ANNOUNCES FIRST 12 INSTITUTES OF TECHNOLOGY

The DfE has announced the organisations that were successful in bidding to create the first 12 Institutes of Technology (IoTs). These were selected from a short list of 16 applicants, all of which were required to be judged as 'good' or 'outstanding' by Ofsted at their last inspection. The aim of IoTs is, says the DfE to 'boost young people's skills and set them on a path to a high-skilled, high-wage career, education'. IoTs will be collaborations between universities, FE colleges and major employers, and will specialise in delivering higher level technical programmes at Level 4 and 5, particularly in science, technology, engineering and mathematics (STEM) subjects. IoTs will be backed by £170 million of government investment and will operate from existing, or in some cases new, premises. Nine IoTs will be led by FE colleges and three IoTs will be led by universities, as follows:

FE colleges

- Barking and Dagenham College
- Dudley College of Technology
- Harrow College & Uxbridge College
- Milton Keynes College
- New College Durham
- Solihull College and University Centre
- Swindon College
- Weston College of Further and Higher Education
- York College

Universities

- Queen Mary University, London
- University of Exeter
- University of Lincoln

More information is available at:

<https://www.gov.uk/government/publications/institutes-of-technology-competition>

EDUCATION AND TRAINING FOUNDATION LAUNCHES THREE T-LEVEL 'KNOWLEDGE HUBS'

In November 2018, the DfE announced that the organisation that would deliver T-Level professional development in the period to 2020 would be the ETF (the national workforce development body for further education and training). The first T-Levels courses in Childcare, Construction and Digital will be taught in more than 50 FE colleges and other post-16 providers from September 2020. A further 22 courses will be rolled out from 2021. To support them, the ETF has announced that three regional T-Level Knowledge Hubs will be launched at the end of this month (April) as part of its 'T-Level Professional Development (TLPD) offer'. The Hubs will set up 'teacher development networks' and organise 'collaborative activities focused on T-Level routes, pathways and subject-specific themes'. In addition, they will ensure that

'employers and professional bodies are engaged so that learning and practice reflects industry needs'. The DfE has allocated £8 million to the ETF to fund the Hubs and the ETF has used this funding to commission three organisations: Association of Colleges (AoC), Skills and Education Group', and 'Creative Education', to each establish a Hub in one of three geographical regions. These are as follows:

- AoC: Region 1, covering the North East, North West, Yorkshire and Humberside.
- Skills and Education Group: Region 2, covering West Midlands, East Midlands, East of England and London.
- Creative Education: Region 3, covering the South East and South West.

The Hubs will also provide an opportunity for existing and future T-Level providers to participate in 'sector-led, collaborative action research projects', known as 'Teacher Regional Improvement Projects' (TRIPs). The TRIPs will support teachers to prepare their teaching practice for T-Levels so that that students taking T-Levels develop the knowledge, skills, behaviours and occupational competencies required. Grants of £45,000 will be awarded by the three Hubs (via the ETF funding provided by the DfE) for other organisations to develop 50 collaborative TRIPs across England. Organisations interested in participating in TRIPs will be able to attend events organised in the three regions next month (May). More information on T-Level Knowledge Hubs can be found at:

<https://www.et-foundation.co.uk/sector/technical-education/t-levels/>

SMF AND FETL PUBLISH REPORT ON THE PROFESSIONAL DEVELOPMENT NEEDS OF FE COLLEGE PRINCIPALS

The Social Market Foundation (SMF), working in partnership with the Further Education Trust for Leadership (FETL), has produced its first report on the development needs of principals and other leaders in general FE colleges in England. The report claims to provide an analysis of 'who college leaders are', 'what skills they need in a fast-changing environment' and 'the future development needs of principals and other college leaders'. The SMF says that this will be the first in a series of reports on the topic and that further reports will be published in the future. A copy of the first SMF report on leadership can be found at:

<http://www.smf.co.uk/wp-content/uploads/2019/04/Leading-skills-Exploring-leadership-in-Further-Education-colleges-Paper-1.pdf>

OFSTED UPDATES

Speaking at the 2019 Annual Apprenticeships Conference, Ofsted Chief Inspector for England, Amanda Spielman, spoke about the challenges that apprenticeship training providers face. However, she also gave a slide presentation on the new Education Inspection framework (EIF), scheduled to replace the Common Inspection Framework (CIF) from this September. In addition, she drew attention to the revisions and updates to the FE and Skills Inspection Handbook which will become operative on the same date. A copy of Ms Spielman's slides on the new EIF can be accessed at:

<https://www.slideshare.net/Ofstednews/eif-2019-inspecting-the-substance-of-education-fes>

The latest version of the FE and Skills Inspection Handbook (to be used from September) can be found at:

<https://www.gov.uk/government/publications/further-education-and-skills-inspection-handbook>

And for those of you interested in reading Ms Spielman's speech to the conference, this can be found at:

<https://www.gov.uk/government/speeches/amanda-spielman-at-the-2019-annual-apprenticeships-conference>

ESFA CLARIFIES 20% APPRENTICESHIP OFF-THE-JOB TRAINING RULES AND UPDATES POLICY GUIDANCE

Earlier correspondence from the ESFA appeared to suggest the 20% off-the-job training requirement for apprenticeships should be based on a maximum of 30 hours of work per week, even in situations when an apprentice worked more weekly hours than this. The ESFA has now issued updated apprenticeship funding rules and guidance for the period covering August 2019 to July 2020 which clarifies that there is no 30-hour cap and that the 20% off-the-job-training calculation should be based on all paid hours worked. The

clarification is covered in paragraphs 26-37 of the new rules and guidance, which can be accessed at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/786465/apprenticeship_funding_rules_for_training_providers_August_2018_to_July_2019_version_2.pdf

CONTRACTION IN THE PROPORTION OF APPRENTICESHIPS DELIVERED BY SUBCONTRACTORS

Data produced by the Association of Employment and Learning Providers (AELP) has revealed that:

- The proportion of apprenticeships delivered by sub-contractors in 2017/18 fell. Of the 376,000 apprenticeship starts in that year, 89% were delivered direct by prime contract holders, while the remaining 11% was subcontracted out by them to other providers. This compares with 2016/17, when 74% of apprenticeship provision was directly delivered and 26% was contracted out. The fall in the proportion of subcontracted apprenticeship delivery has been attributed to:
 - The establishment of the Register of Apprenticeship Training Providers (RoATP), and the tougher requirements for organisations applying to be included on the register.
 - The requirement that all subcontractors should now be included on the RoATP, which means that many providers that were previously subcontractors are now able to contract directly with levy paying employers to deliver apprenticeships.
 - The introduction of more stringent rules on subcontracting. New apprenticeship subcontracting rules which specify that lead contractors can no longer subcontract out their entire apprenticeship contract and must now directly deliver a 'meaningful proportion' of their apprenticeship contract themselves.
- There has been a contraction in the proportion of apprenticeship provision delivered by ITPs from 75% in 2016/17 to 67% in 2017/18.
- There has been a contraction in the proportion of apprenticeship provision delivered by FE colleges from 31% in 2016/17 to 25% in 2017/18. In addition, FE colleges are also subcontracting less of their apprenticeship provision to ITPs.
- Universities have continued to increase their share of the apprenticeship market, mainly at Level 4 and above.

EMPLOYERS AND APPRENTICESHIP TRAINING PROVIDERS WARNED THAT APPRENTICESHIP BUDGET IS 'FINITE'

Following the recent Institute for Apprenticeships and Technical Education (IfATE) review of apprenticeship funding bands, many apprenticeship funding rates have already been cut, some quite substantially, against which those employers and apprenticeship training providers affected have strongly protested. IfATE has now warned all employers with apprentices and apprenticeship training providers that the budget for the apprenticeship programme is finite and that affordability and comparative training costs are now factors being taken into account when considering Trailblazer group recommendations on funding levels. The hardened IfATE stance reflects the DfE's recently published '*Strategic Guidance to the IfATE*', which says, 'We expect the Institute to consider the wider affordability of the apprenticeships programme when making funding band recommendations'. This comes in the wake of concerns that the apprenticeship levy budget could be overspent by up to £0.5 billion this year (2018/19), rising to £1.5 billion during 2021/22, largely as a result of the increasing take-up of higher-level apprenticeships, which attract much higher levels of funding. (For example, *one* Level 7 management apprenticeship costs the same as *nine* Level 3 health and social care apprenticeships). The likelihood of an apprenticeship overspend has been confirmed by National Audit Office (NAO) which, in its report on apprenticeship value for money, predicted that the actual average amount of funding required for apprenticeships is likely to be double the DfE forecast. Following on from this, the DfE Permanent Secretary, Jonathan Slater, has told members of the Public Accounts Committee (PAC) that without additional funding being made available in the forthcoming spending review 'tough choices' in respect of which apprenticeships could continue to be funded, and at what level, will need to be made. This has prompted the AELP to call for all apprenticeships at Level 6 and above to be removed from the scope of levy funding and replaced by loan funding and for the government to prioritise funding for lower level apprenticeships. A copy of the DfE Strategic Guidance to IfATE can be found at:

<https://www.gov.uk/government/publications/institute-for-apprenticeships-and-technical-education-strategic-guidance>

UVAC CHIEF EXECUTIVE CALLS ON THE DFE TO PRIORITISE HIGHER LEVEL APPRENTICESHIPS

Meanwhile in a letter to Anne Milton, the Minister for Apprenticeships and Skills in England, Adrian Anderson, the Chief Executive of University Vocational Awards Council (UVAC), which is the body that represents over 90 universities delivering apprenticeships, has argued that it is 'entirely unacceptable to expect public sector employers to subsidise low-level apprenticeships for chefs and hairdressers', and has called on the government to prioritise apprenticeships at Levels 6 and 7 instead. He has also argued that the current decline in Level 2 apprenticeships is actually to be 'welcomed' since they are 'not what employers are looking for'. In his letter, Mr Anderson goes on to say that prioritising lower level apprenticeships runs 'counter to the concept of employer leadership' and that there is 'no justification' for the state providing substantial subsidies for low-level apprenticeships, adding that he 'doubted that our international competitors are focusing their skills budgets on apprenticeships like these'. This has led some observers to conclude that perhaps, as is the case with HE funding generally, Mr Anderson really wants to ensure that the DfE continues to prioritise the HE sector at the expense the FE sector.

DFE PROVIDE FUNDING FOR NEXT YEAR'S RISE IN EMPLOYER PENSION CONTRIBUTIONS

It was announced last year that FE and sixth form colleges would, from September this year, be required to collectively find around an extra £142 million a year to fund an increase in employer contributions to staff pensions from 16.48% to 23.6%. However, following consultation with the sector, the DfE has confirmed that for 2019/20 it will fully-fund the increased costs of the scheme for all 'state-funded schools and colleges, as well as other publicly-funded training providers'. The funding is initially for 2019/20 only and it is unclear if the DfE will continue to provide the extra funding beyond then, particularly if the forthcoming spending review fails to provide the extra FE funding required for this.

INDEPENDENT COMMISSION ON THE COLLEGE OF THE FUTURE IS LAUNCHED

Yet another new commission on FE has been formed. This latest one is called the 'Independent Commission on the College of the Future' and is comprised of panel of 'sector experts' who will contemplate the future of the FE college sector across all four nations of the UK. The commissioners are 16 prominent individuals from diverse backgrounds (e.g. Steph McGovern from the BBC, Matthew Fell from the CBI and Paul Nowak from the TUC) and the commission itself is chaired by Sir Ian Diamond, Chair of Edinburgh College Management Board, who previously chaired the review of Welsh higher education funding which led to the introduction of HE maintenance grants for full-time and part-time HE students (coincidentally at the same time as HE maintenance grants were being withdrawn in England and replaced with maintenance loans). The aim of the commission is, apparently, to answer the question: 'What does the college of the future look like?'. The commission will meet five times throughout the year and will be supported by an expert panel of individuals drawn from across the FE and skills sector, including the Association of Colleges (AoC), Colleges Scotland, Colleges Wales, the colleges in Northern Ireland, City & Guilds, the Further Education Trust for Leadership (FETL), the Joint Information Systems Committee (JISC), the National Council for Further Education (NCFE- an awarding body), the National Open College Network (NOCN) and Pearson (an education publisher and awarding body). It is anticipated that the commission will produce a report with recommendations in spring 2020. The FE sector might be devastated by a lack of funding, but it is truly blessed in terms of the number of commissions contemplating its future. In this respect it is difficult not to be reminded of the parable of the farmer who spent so much time weighing his show pig that he forgot to feed it and it starved to death (the pig was called Wayne). More information can be found at:

<https://www.aoc.co.uk/news/new-independent-commission-the-college-the-future-launched>

NATIONAL EDUCATION UNION (NEU) ANNUAL CONFERENCE MOTION 36: POST-16 COLLEGES

One of the motions debated and passed at the recent NEU conference that could be of interest to members of the 'Independent Commission on the College of the Future' and might help them with their deliberations was Motion 36. This was as follows:

'NEU members call on politicians and the public to recognise the weakened and fragmented state of the post-16 sector. It has suffered greater funding cuts than the schools sector over the last 10 years. Mergers driven by financial rather than educational or organisational logic have been accelerated by the area-based reviews process. FE colleges have increased their use of zero hours and agency contracts and permanent staff have seen their pay fall dramatically compared to schools. Sixth form college staff face poorer working conditions and contracts when their colleges are absorbed into FE colleges. Post-16 academies are now subject to differential funding arrangements on areas such as teachers' pay. NEU members call for a new employment contract for the whole post-16 sector, a return to local authority governance of colleges, and most of all for adequate funding before the whole sector is fatally damaged.'

GLA TO PROVIDE FREE ESOL COURSES

Up until August 2007, ESOL courses automatically attracted fee remission. This was then scrapped and fees were introduced for the courses, with the government arguing that non-English speaking people choosing to migrate to the UK for economic or family reunification reasons should be expected to contribute to the cost of learning to speak, read and write English. As a result, under current rules, the ESFA only fully-funds ESOL learning delivered in the classroom up to Level 2, and only for eligible learners (those aged 19 and over who are unemployed and in receipt of certain means-tested benefits). All other classroom-based adult ESOL learning is co-funded by the ESFA, which means that the ESFA pays half of the course costs and the learner is required to pay the other half in fees (unless the provider offers to waive the fees). The change in ESOL funding, says the Greater London Authority (GLA), has had a 'devastating effect on ESOL provision in London' because more than 50% of the country's ESOL provision takes place in the capital and because around 210,000 working age adults in London say that they 'cannot speak English very well'. In response, the GLA is proposing to provide free ESOL courses, including those required for British citizenship examinations. The courses will be paid for with funds received via the £306 million share of the devolved Adult Education Budget (AEB) the GLA will receive on 1 August 2019. The GLA has also launched a consultation on its 'Skills for Londoners' Framework, which outlines how the GLA intends to spend its Adult Education Budget (AEB) from 2020/21 and which includes proposals to fully-fund ESOL provision up to Entry Level 3 from that year. This follows an earlier GLA proposal to use part of its devolved AEB to fully-fund all training for adults living in London and earning below the London living wage (currently £20,572.50). Some observers have expressed concern that devolution means that FE fee levels and funding already differ dramatically between UK countries, and now it appears that devolution will also result in FE fees and funding varying dramatically between the different regions of England. A copy of the GLA consultation is available at:

https://www.london.gov.uk/sites/default/files/aeb_constultation_y2_2020-2021.pdf

ANOTHER UNIVERSITY TECHNICAL COLLEGE (UTC) TO CLOSE

Wigan UTC has announced its intention to close. The UTC has a 'good' Ofsted rating, but like others before it, has found it difficult to recruit enough pupils to enable it to secure its financial future. The UTC opened in 2013 and planned to recruit up to 500 students, but it currently only has 108 on its roll. In November 2018 it was required to pay back almost £610,000 to the DfE, despite a bailout of £169,000. The UTC's deficit for 2017/18 was £516,000 and a spokesperson said that because the numbers being recruited were not sufficient to generate the funding needed to avoid further substantial deficits, the UTC had decided to announce its closure because these deficits would eventually impact on the quality of education the UTC offered. Wigan UTC is the tenth UTC to close, with 47 still remaining open.

OFSTED WARNS OF THE DANGERS OF INCREASING NUMBER OF ILLEGAL UNREGISTERED SCHOOLS

Since 2016, Ofsted inspectors have investigated more than 530 unregistered and illegal schools, with the largest number found to be operating in London and the West Midlands. Inspectors have warned that some parents were misusing the label of 'home schooling', when they were really sending their children to these unregistered schools each day. A large number of the illegal schools investigated had links to religious groups. Amongst these the most common were associated with the Muslim faith, with a smaller number being associated with Jewish and Christian faiths. Earlier this month, Ofsted published a detailed breakdown of what it calls 'the growing problem of children being taught in uninspected and unregistered settings', many of which, says Ofsted, have 'quite appalling conditions, with unsafe accommodation, a lack of safeguarding and unqualified staff'. Ofsted also reported difficulties in trying to gain entry to such schools and said that this potentially gave staff 'time to conceal what they were doing'. In addition, Ofsted said that inspectors had found it difficult to assess the real scale of the problem because they had 'no right to seize documents or registers' and that staff often failed, or simply refused, to provide these. Surprisingly, Ofsted found evidence that some local authorities were paying up to £27,000 a year for places for children in unregistered schools. These were often for pupils that had been taken out of mainstream schools or who had been excluded. Most other unregistered schools were collecting fees from parents. Last autumn, two people in London became the first to be convicted of running an illegal school and Ofsted has now called on the government to take a much tougher stance on such schools. A DfE spokesperson responded by saying that Ofsted had been given £3 million to tackle unregistered schools and to 'make sure illegal activity is uncovered and justice is delivered'. The spokesperson went on to confirm that the government will be shortly introducing new legislation to 'strengthen Ofsted's powers to investigate and gather evidence on illegal schools to support prosecutions'. A copy of the Ofsted report and data can be found at:

<https://www.gov.uk/government/statistical-data-sets/unregistered-schools-management-information>

PLANS TO INTRODUCE MANDATORY REGISTRATION SYSTEM FOR HOME EDUCATED CHILDREN

It is estimated that there are around 60,000 children in England who are being 'home educated' and that these numbers are increasing rapidly. At present, there is no mandatory registration system for families who choose to educate their children at home. As mentioned above, parents often say that their children are being 'home schooled', when in reality they are sending their children to unregistered illegal schools. This has led to concerns that many children might be receiving a solely religious education, and/or being taught in unsafe or sub-standard premises, or not receiving an education at all. As a result, the government is consulting on plans to launch a new register of children in England who are being educated at home. Under the plan, it would be parents' responsibility to register their child if they were *not* attending a state school or registered private school. The government is also consulting on proposals that will require local authorities to provide support for home-educating families, such as teaching resources or financial contributions towards exam fees. Commenting on the consultation, Ofsted Chief Inspector for England, Amanda Spielman, said, 'Ofsted has long had concerns about the increasing numbers of school-age children not attending a registered school, many of whom may not be receiving a high-quality education or being kept safe. We are especially concerned about children 'off-rolled' from schools and those in illegal schools'. A copy of the consultation document can be found at:

<https://www.gov.uk/government/consultations/children-not-in-school>

TEACHERS IN SCHOOLS AND COLLEGES TO BE HELD ACCOUNTABLE FOR FAILING TO SPOT KNIFE CRIME POTENTIAL

Teachers in schools and colleges are accountable to Ofsted and the ESFA for providing high quality teaching and learning, controlling student behaviour and discipline, looking after the wellbeing of young people, developing strategies to address young peoples' mental health issues and ensuring that what is taught is relevant to the skills needs of the local economy. They also have statutory responsibility for the safeguarding of young people in their care, and for implementing the government's Prevent strategy to protect students from becoming radicalised. They can be held legally accountable if it can be shown that

they have failed to meet these statutory requirements. To this list of responsibilities, the government is now proposing that school and college teachers (along with NHS workers and police officers in England and Wales) should be given statutory responsibility for meeting a 'public health duty' to identify the potential for violent crime amongst young people. Again, they will be legally held to account if they fail to do so. Teacher unions have expressed concerns at the proposals. Dr Mary Bousted, Joint General Secretary of the NEU, has argued that 'neither the blame for, or the solution to, violent crime can be laid at the door of school or front-line hospital staff' and the Children's Commissioner for England, Anne Longfield, said that schools had neither the systems or resources to 'know what to do with children who might be involved in, or at risk of, violent crime'. Last year, there were 285 deaths from stabbings across the UK, a record high.

ALMOST ONE IN FIVE SCHOOL TEACHERS SAY THEY WILL LEAVE THE PROFESSION IN THE NEXT TWO YEARS

The findings of a survey of more than 8,000 teachers, school leaders and school support staff carried out by the NEU has revealed that 18% expect to leave the profession in the next two years, while 40% said that they intended to leave in the next five years. Of the various reasons given for leaving, heavy workload was cited by 62% of respondents, and an 'excessive' accountability culture by 40% of respondents. The survey also found that 56% of school staff felt their work-life balance had deteriorated in recent years. The findings come as the level of teacher shortage, particularly in secondary schools, is becoming more acute with the school age population predicted to grow by more than 400,000 over the next 5 years.

NEW GUIDANCE FOR FE CORPORATIONS WANTING TO TRANSFER TO THE HE SECTOR

The DfE has published new guidance for Further Education Corporations (FECs) wishing to transfer to the HE sector and to become a Higher Education Corporation (HEC). The guidance only applies to FECs in England. The new guidance updates and supersedes earlier the Higher Education Funding Council for England (HEFCE) guidance '*Transfers between the further and higher education sectors*' published in 2001, which will be withdrawn on 1 August 2019. The new guidance can be accessed at:

<https://www.gov.uk/government/publications/transferring-from-the-further-education-to-the-higher-education-sector>

EDUCATION SECRETARY FOR ENGLAND WARNS UNIVERSITIES ON USE OF 'CONDITIONAL UNCONDITIONAL OFFERS'

Fierce competition between universities to attract students (and the £9,250 per year in fees they bring with them) has seen prospective applicants increasingly being offered places regardless of their examination results. These are referred to as 'unconditional offers'. The number of such offers has risen sharply with applicants now being 30 times more likely to receive an unconditional offer than was the case five years ago. A recent Office for Students (OfS) report that examined the impact of unconditional offers on students' decision making found that applicants who accept an unconditional offer were more likely to miss their predicted A-Level grades by two or more grades. Nevertheless, some universities have gone further than simply making unconditional offers and are now making 'incentivised offers'. The most common of these is the 'conditional unconditional offer', which means that the unconditional offer they make to an applicant is made only on condition that the applicant nominates the university as his or her first (or even only) choice. As a result of these and other 'unethical pressure selling' tactics, the Education Secretary for England, Damian Hinds, has written to 23 universities in England (including at least one Russell Group university) that have been found to be engaging extensively in such practices, warning them to desist. Mr Hinds has also called for an external review of English university admissions systems and practices.

OFS PUBLISHES REPORT ON THE FINANCIAL SUSTAINABILITY OF HE PROVIDERS IN ENGLAND

In order to meet the registration requirements of the OfS, all universities and other HE providers in England must demonstrate that they are financially viable and sustainable. To arrive at its own conclusions about the viability and sustainability of the sector, the OfS has produced report entitled '*Financial sustainability of higher education providers in England*'. The report provides details of key financial trends and performance. The report reveals that the HE sector in England:

- Is predicting an overall 10% growth in student numbers over the next four years (equivalent to an increase of 171,000 full-time students). This is despite a 5% projected decline in the UK population of 18-year-olds over the same period. After 2020, the 18-year-old population is expected to rise again, but even with a projected growth of international student numbers by 56,000 by 2022, this suggests unrealistic assumptions about the overall future growth in student recruitment.
- Reported a collective income of £33 billion in 2017/18. This is a 7.4% increase on the previous year. Despite this, collective surpluses fell from £1.12 billion in 2016/17, to £1.02 billion in 2017/18. However, there are considerable variations in financial performance of individual providers within the sector.
- Had net liquidity of £11.2 billion (equivalent to 138 cash days) in 2017/18. This is £1.3 billion higher than in 2016/17.
- Reported borrowing of £12 billion (equivalent to 36.8% of income) in 2017/18. This is £2.1 billion more than in 2016/17. The borrowing is mainly to finance new buildings to accommodate expected growth in student numbers, with loan repayments being met from the fee income they bring with them. This means an increased exposure to risk if the predicted increase in student numbers fails to materialise.

The report comes at a time when the HE sector is facing uncertainties associated with Brexit and could face potential reductions in fees and recruitment caps following the implementation of recommendations arising from the Auger review of Post-18 Education and Funding. The report's main conclusion is that the HE sector has made over-optimistic predictions of both domestic and international student recruitment and, as a consequence of this, is expected to become financially weaker. A copy of the report is available at:

<https://www.officeforstudents.org.uk/media/cf54b6ee-714e-45c3-ade9-56bc685b861d/report-on-financial-sustainability-of-higher-education-providers-in-england.pdf>

NEW NATIONAL UNION OF STUDENTS PRESIDENT AND VICE PRESIDENT FOR FE ELECTED

At its recent national conference held in Glasgow, the NUS elected Zamzam Ibrahim, a former president of Salford University Student Union, as its new national president. In her election statement, Ms Ibrahim said, 'Universities across the UK are facing bankruptcy, college students are unable to afford their journeys to class and racism is running rampant on our campuses'. Ms Ibrahim is an outspoken critic of the government's Prevent strategy which, she says, unfairly targets the Muslim community. However, the Daily Telegraph and the Daily Mail have alleged that she has written on Twitter, 'I'd oppress white people, just to give them a taste of what they put us through!', and that in answer to an on-line question on 'what book everyone should read', she replied, 'The Qur'an. We would have an Islamic takeover!' In response to questions about these and other controversial comments she is said to have made (such as saying that friendship between unrelated males and females is 'Islamically incorrect'), Ms Ibrahim, who is the daughter of Somali refugees, has complained that the press is portraying her as a 'fanatical Muslim and a threat to British society'. She says that her earlier remarks should not be taken out of context, that they were made at a time when she was 'struggling with her view of the world' and that she has always fought for 'liberation, equality and against injustice both within and out of the student movement'. Meanwhile, City of Liverpool College Student Union President Juliana Mohamad-Noor has been elected the NUS vice-president for FE. In her election address, Ms Mohamad-Noor said that she wanted to 'defend FE for future generations to come' and went on to say, 'FE changes lives, let's make sure it stays that way'.

AND NEARLY FINALLY...

Although it will probably not be of much relevance for younger readers, for those of you who, like me, are becoming increasingly chronologically challenged, there was quite a nice (and poignant) article written by Anne Nicholls that was recently published in the Times Educational Supplement. The article was entitled 'Seven signs that you were an FE teacher in the 1980s'. I recognised every one of them. The article is available on the TES website at:

<https://www.tes.com/news/seven-signs-you-were-teacher-1980s>

AND FINALLY...

A FE lecturer had applied for a promotion at another college and had been invited to attend an interview. The college was a considerable distance away and the interview was scheduled early in the morning, so the lecturer decided to travel to the interview the previous evening and stay in a hotel near to the college overnight. He started out on his journey after he had finished teaching an evening class and it was already dark as he drove through forests and across expanses of deserted moorland on minor roads on his way to the hotel. Catastrophically, his car broke down mid-way through the journey and he found himself stranded in the dark in an area miles away anything even vaguely resembling civilisation. To make matters worse, he found that he had no mobile phone signal and that a dense fog was beginning to cover the road and surrounding countryside. It was close to midnight and the lecturer had been waiting by the roadside for almost three hours without seeing any other vehicles pass by. He was becoming increasingly concerned that he would be stranded overnight, and was much relieved when he eventually saw the headlights of a camper van coming towards him through the fog. The lecturer waved and van driver slowed down to a stop. Peering through the driver's window, the lecturer said, 'Am I glad to see you! I've broken down and I have no mobile signal to ring for help. Could you do me a great favour and give me lift to the nearest town?'. The van driver leaned over, opened the passenger door and said, 'Of course. Get in'. As the van gathered speed the lecturer said, 'It's really good of you to pick me up, particularly out here, miles away from anywhere and in the dark', and jokingly added, 'After all, I could be serial killer'. The van driver turned to the lecturer, gave him a weird smile and said, 'No, I don't think so. After all, what would be the chances of finding *two* serial killers travelling on this road at this time of night?'

Alan Birks – April 2019

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