

Click Newsletter

Issue 10, May 2011

FE Developments

Skills Funding Agency (SFA) offers financial help to deal with falling student numbers

Free tuition for adults taking FE college courses in England is being restricted to those receiving Job Seekers' Allowance (JSA) and Employment Support Allowance (ESA). Those in receipt of Income Support and various other benefits will no longer be able to access free tuition. It is anticipated that around 300,000 prospective adult students will lose their entitlement to free tuition and face the prospect of paying fees well in excess of £1,000 if they wish to take up a place on an FE course. Many colleges are predicting that as a consequence of this, adult enrolments will fall dramatically and that as a result, they will be unable to meet SFA adult funding targets. In support of this prediction, the Association of Colleges (AoC) has identified several FE colleges where the curtailment of free tuition will result in over £5 million of adult funding being placed at risk.

The SFA has responded by announcing that those colleges failing to hit their adult student number targets as a direct result of the withdrawal of free tuition entitlement will be able to retain half of any funding which would otherwise be lost through SFA 'claw back'. The SFA support package is available to those colleges where more than one fifth of their adult provision will be affected by the withdrawal of free tuition. However, the SFA is anxious not to be seen to be undermining the government's policy on tuition fees. They have therefore made it clear that this support package is only available for the 2011/12 year and is primarily intended to give colleges more time to make the necessary 'structural adjustments' needed to cope with future budget reductions.

FE funding cuts survey

Meanwhile, a recent joint National Union of Teachers (NUT) and University and Colleges' Union (UCU) survey of 69 colleges in England has provided evidence that the FE sector is now gearing up for significant cuts. Main survey findings of the NUT/UCU survey include the following:

- 95% of colleges said that they were facing cash cuts to their budgets in 2011/12.
- 74% anticipated making teacher redundancies.
- 76% anticipated making support staff redundancies.
- 55% were anticipated reducing the number of courses offered.
- 52% would only run courses with higher group sizes.
- 40% intended to decrease course taught hours.
- 75% would be significantly reducing extra curricula, careers guidance and tutorial time.

With reference to the abolition of Education Maintenance Allowances (EMAs) in England:

- 69% of colleges thought that the bursaries, which would be replacing EMAs, were inadequate.
- 68% thought that recruitment would be adversely affected by the abolition of EMAs.

Falling employer interest in apprenticeships

Findings from a recent Chartered Institute of Personnel and Development (CIPD) survey of employers indicates that the government's ambitious plans to dramatically increase the number of apprenticeships to a record 430,000 over the next four years may be threatened by waning employer interest in the schemes. Employer responses to the CIPD survey included the following:

- 45% of firms said that they had offered apprenticeships over the last 3 years, but only 35% would be offering further apprenticeships next year.
- 43% of firms said that they would definitely not be recruiting apprentices next year.
- 22% of firms said that they had yet to decide whether to offer apprenticeships.
- 48% said that more generous funding for apprenticeships would encourage their organisation to create new or additional places.
- 44% said that they would not be taking on apprentices because of a staff recruitment freeze.
- 67% of the firms not offering apprenticeships said that this was because they considered that 'they were not appropriate' for their organisation.

The CIPD has also said that employers thought that too many apprenticeships were at a low level and led to qualifications which 'did little to meet the UK's shortage of advanced technical skills'. They added that employers wanted to see the 'funding, allocation and delivery of apprenticeships significantly simplified'. Commenting on the CIPD survey findings, a spokesperson for BIS insisted that 'the department was on track to meet its target of 50,000 additional apprentices this year'.

Ofsted Report: 'Tackling the challenge of low numeracy in young people and adults'

Ofsted has recently published a report containing findings in respect of the level of numeracy of young people and adults. The findings are based on inspections of 59 FE colleges, local authority adult education institutions, private training providers and prisons, which took place between May and November 2010. The main findings are as follows:

- In all institutions visited, initial assessment of learners revealed a high level of need for numeracy support, up to and including level 2.
- Weaker providers either did not engage in initial assessment of learners at all, or failed to use the initial assessment to plan numeracy support for learners effectively.
- In 19 of the 45 providers of full time vocational education visited, the level of learners' numeracy skills was judged to be no better than satisfactory.
- In 5 of the 6 prisons visited, there was no discrete numeracy provision for learners, despite a high level of need.

Recommendations made by Ofsted based in respect of these findings are as follows:

- BIS and the Department for Education (DfE) should 'identify strategic priorities in the forthcoming review of basic skills provision'.
- Teaching staff should be given 'greater access to training leading to qualifications in the teaching of numeracy at level 5 and above, as well as subject specific continuing professional development'.
- National agencies with 'responsibility for quality improvement in post 16 provision should ensure that they focus on improving tutors' skills in developing learners' understanding of mathematical concepts and helping them relate their learning to everyday and work contexts'.
- Providers should structure their vocational provision, including apprenticeships, such that 'numeracy is integral to each course up to, and including, level 2'.
- Providers should 'increase the promotion of discrete work based numeracy courses to local employers' and increase 'the involvement of employers in planning the context of numeracy provision'.

Ofsted Report: 'Best Practice in Safeguarding in Colleges'

Ofsted has recently published a report containing findings from the inspection of 14 colleges which were judged to be 'outstanding' in their leadership and management of safeguarding. The features which inspectors judged as having contributed to the 'outstanding' grade were as follows:

- There was a culture of 'putting the safety of learners first' and safeguarding was prioritised within the college.
- The promotion of safety was visibly led by the principal and senior managers, who were supported in this by college governors.

- All governors received safeguarding training.
- A member of the senior management team was nominated as the lead safeguarding officer.
- A member of the governing body was nominated as the lead governor on safeguarding issues.
- All staff, irrespective of their role within the college, received safeguarding training and were kept updated in respect of the relevant legislation.
- Staff were pro-actively encouraged by management to prioritise the safety of their learners.
- Learners were encouraged and supported by staff in taking more responsibility for their own safety and the safety of others.
- There was effective collaboration on safeguarding procedure and practice, both within the college and between the college and key external agencies, including social services, the police, local schools and those specialist agencies which supported those students with complex learning difficulties and disabilities.

Ofsted report: The career aspirations of girls and young women

Ofsted has recently published a report on the extent to which careers information, and the provision of other guidance and support, raises the aspirations, informs course choice and influences the future careers of girls and young women. The main findings include the following:

- Many girls and young women have stereotypical views on jobs for women and men.
- They retained these views through school and college, despite being taught about legislation in respect of equal opportunities and equal access to jobs.
- They had limited understanding of how choices on courses and careers influenced future pay and career progression.
- A 'few' girls and young women had their career ambitions changed as a result of directly observing a professional at work in a non stereotypical job, and through discussion with them about what their job involved and was actually like.

Recommendations for schools and colleges made in the report include the following:

- All young people should be better informed about career and course choices and the relationship of these to future pay and promotion prospects.
- Work experience should be organised so that girls and young women have better access to non-stereotypical jobs and to professionals working in non-stereotypical roles.
- More consideration should be given as to how advice on non-stereotypical careers and job opportunities could be better integrated within course programmes.

Education Select Committee Report says that Ofsted should be split into two

Meanwhile, the Parliamentary Select Committee for Education has recently published a report on Ofsted. The report proposes, amongst other things, that Ofsted should be split into two separate organisations. These would be 'The Inspectorate for Education' and 'The Inspectorate for Children's Care'. The report claims that doing this 'would help focus and restore confidence in the work of the inspectorate'. The Education Select Committee is chaired by Graham Stewart MP who, in presenting the report said, 'we need a radical shift in the way in which inspection operates in this country', and that 'a more proportionate, specialist and focussed approach' was needed. The chair of Ofsted, Baroness Sally Morgan said, 'The Ofsted Board takes this report very seriously' and accepted that there was a 'need for Ofsted to communicate more effectively about its work'.

Ofsted Chief Inspector resigns

In responding to the Select Committee report, Christine Gilbert HMI, the Ofsted Chief Inspector said, 'Ofsted is proud of the work it has done across the whole of its remit since it took on its present brief in 2007' and went on to say 'Any proposal for further reorganisation needs to be considered very seriously', but added that it was 'ultimately a matter for government'. Ms Gilbert has now resigned from her position as Ofsted Chief Inspector, having announced her intention to do so earlier this year. Her position as Chief Inspector has been taken on an interim basis by Miriam Rosen, a former Executive Director at Ofsted, until a permanent appointment can be made.

National Careers Service developments

John Hayes, the Minister for Further Education, has issued a statement on the new Careers Service in England. The main elements are as follows:

- The National Careers Service will consist of a network of separate organisations funded by BIS.
- The National Careers Service will provide a single point of access to online and help line services.
- In 2012/13, the indicative budget for expenditure on information, guidance and advice services provided by organisations within the National Careers Service in 2012/13 will be £84.5 million.
- Young people aged 13-19 and adults will be able to access the new service from September 2011 and the first all age careers service in England will be fully operational by April 2012.
- As well as providing free 'face to face' advice and guidance to priority groups, these organisations will also provide services commercially on the open market for those individuals, groups and organisations prepared to pay for them.
- BIS will establish a quality standard for the provision of careers advice. All organisations within the National Careers service will be expected to achieve this standard.
- All staff employed within organisations funded by BIS will be expected to deliver advice to appropriate 'professional standards' and adhere to an appropriate 'code of ethics'.
- Subject to the passing of the Education Bill in September of this year, schools will be legally obliged to ensure that their pupils have access to impartial and independent careers advice. (Schools, and particularly those with sixth forms, have been widely accused of failing to give impartial advice on alternative education and training options at age 16. However schools will still remain free to make arrangements for the provision of careers advice that 'best serves the needs of their pupils', which some might argue defeats the object somewhat).

Steve Higginbotham, the President of the Institute of Careers Advisors has branded the new National Careers Service as a 'sham'. He went on to say, 'Now we know why the government has stood on the sidelines while the Connexions service was systematically dismantled and advisors have joined their former clients in the dole queue'.

New business models and 'Cloud' computing

Colleges are being encouraged, not least by the SFA, to consider introducing 'new business models' in order to reduce their costs and improve their efficiency. The process of introducing new business models often seems to involve some degree of private sector involvement and in some cases involves private sector firms taking over the delivery of various college services. Given the potential for new business, some prominent accountancy firms have now established specialist branches within their organisations for the sole purpose of helping colleges to introduce new business models.

Perhaps the most common example of a new business model in FE is 'shared services'. This involves two or more colleges using the same central services (e.g. human resource management services, financial and accountancy services, and building maintenance services). Sometimes these services are provided by one college on behalf of others. Sometimes they are outsourced to private sector firms. Other new business models in FE are more radical and in a few cases private sector firms have become directly involved in FE governance and management.

The latest 'new business model' emerging is 'cloud computing'. This involves a third party firm remotely managing college functions such as finance and data management. Colleges joining the 'cloud' will usually be able to access their data via the web using an ordinary web browser. The third party firm will charge client colleges a fee for its services but benefits for colleges in 'joining the cloud' are alleged to include savings in IT, capital expenditure and IT staffing, the provision of data back-up services and technical support, and the ability to share the cost of 'cloud' based services with other colleges.

At the same time, concerns have been expressed about such things as speed of shared service response, lines of communication and data security. As a consequence some FE professionals are now questioning whether it really is necessary, or even best practice, for large multi million pound colleges to be sharing or contracting out their finance, data, HR and other 'back office' services. Others are arguing that perhaps the best 'business model' for an FE college is one where the college is highly responsive to local needs, recruits up to, or exceeds, its student number targets, maximises student retention and achievement, and delights students and local employers with outstanding teaching and excellent learning resources.

Most universities in England expected to charge maximum tuition fees

By the time the April deadline had been reached, around three quarters of English universities had made public their tuition fee proposals. The vast majority of these propose to charge the maximum £9,000 per year, with only 'a handful' intending to charge below £8,000 for all of their courses. The Times Higher Educational Supplement has calculated that the overall average tuition fees in English universities are likely to be around £8,700.

Proposals to charge fees above £6,000 theoretically need to be approved in advance by the Office for Fair Access (OFFA). OFFA is theoretically supposed to approve tuition fee proposals after taking into account the university's intentions in respect of assisting students from disadvantaged backgrounds to access their courses. However, in a candid admission David Barrett, the Assistant Director of OFFA, had said that OFFA 'is not a price regulator' and has no intention of preventing universities from charging the maximum fees, nor will OFFA be fining those universities which fail to meet quotas of students from disadvantaged backgrounds. Mr Barrett's announcement appears to have caused some confusion as to exactly what OFFA's purpose is.

It would seem that the government did not expect such a large number of universities to propose charging the maximum tuition fees. Speaking at the recent Higher Education Funding Council for England (HEFCE) conference, Vince Cable, the BIS Secretary of State, has announced that he intends to review the current powers of OFFA with a view to strengthening them.

Secretary of State calls on English universities to offer better value for money

Mr Cable also called on universities in England to put measures in place to 'offer higher quality HE provision at a lower cost'. He went on to say that universities should consider 'redesigning university course structures' and should implement 'major changes in the way university staff were deployed'. He encouraged universities to introduce various other efficiency measures, including the following:

- Reducing administrative costs and wage bills.
- Ensuring that university campuses are used more effectively.
- Developing a 'narrower and more viable' mission as specialist teaching universities.
- Examining more carefully the rationale for university course pricing decisions.

Commenting on progress made in securing such efficiencies thus far, Mr Cable said, 'I might be missing something, but I haven't seen much evidence of this'. He added that universities should make sure that their student number allocations were taken up and said that where places remain unfilled, 'we might withdraw those places, and institutions should not assume that they will easily get them back'.

FE in HE

Mr Cable's speech to the HEFCE conference also included the comment that, 'It is a legitimate role for government to examine the options for intervention in markets which are not operating to best effect and to support fair competition between HE and FE'. He went on to say that he wanted HE to become 'a competitive sector' and that there should be 'a healthy presence of FE and private providers'.

Meanwhile, a recent survey carried out by the AoC in respect of the tuition fee proposals of English FE colleges offering HE programmes, has revealed the following:

- 19 FE colleges offering directly funded (i.e. funds received from the HEFCE) HE programmes and 16 FE colleges offering indirectly funded (i.e. funds received via a university) HE programmes intended to charge tuition fees of less than £6,000.
- 9 colleges offering directly funded programmes and 27 colleges offering indirectly funded programmes intended to charge fees of £6,000.
- 3 colleges offering directly funded programmes and 11 colleges offering indirectly funded programmes intended to charge fees of more than £6,000.

In commenting on the survey findings, Nick Davey, the AoC Higher Education manager said, colleges 'focus on teaching rather than research and they frequently have lower overheads than universities'.

HE tuition fees in the rest of the UK

University course fees in Wales and Northern Ireland remain at £3,290 per year (although tuition fee levels in Northern Ireland are currently subject to review). University tuition will remain free in Scotland for Scottish students (and for those students from non UK European Union countries who opt to attend courses at Scottish Universities). The Scottish Labour Party and the Scottish Liberal Democrat Party have affirmed their commitment to retaining free university tuition for Scottish Students. The Scottish National Party (SNP) has also affirmed its commitment to retaining free tuition for Scottish students. The SNP is also actively considering the reintroduction of student grants. For the avoidance of doubt, Alex Salmond, the leader of the SNP and the First Minister of the Scottish Parliament, has said, 'The rocks will melt in the sun before I allow tuition fees to be imposed on Scottish students- up front or back door'. I don't think that this was a line from the film 'Brave heart', but it sounds a bit like it might have been.

Students from Scotland, Wales or Northern Ireland who opt to study for a degree at an English university will have the increase in their tuition fees paid by the Scottish Parliament, Welsh Assembly or Northern Ireland Assembly, as appropriate. By way of reciprocation, students from England who opt to study for a degree at a university in another UK country will be required to pay full tuition fees themselves. Mike Russell, the Scottish Education Secretary gives the reason for this as wanting to 'prevent an influx of tuition fee refugees from England'. If Wills and Kate were still students at St Andrews University, they would see their annual tuition fees rise from the current £1,820 to at least £6,000 (not, I suppose, that this would have bothered them too much).

With reference to helping young people to access university places, it has also been confirmed that EMAs are to be retained for eligible students aged 16-18 in all UK countries except England. This, along with the many other benefits available to people elsewhere in the UK, has led to renewed criticism of the fairness of the antiquated 'Barnett Formula' which results in considerably higher levels of public expenditure per head of the population in Scotland, Wales and Northern Ireland, than in England.

Glasgow Caledonian University has its international student recruitment license revoked

Meanwhile, Glasgow Caledonian University has become the first UK university to have its Tier 4 international student recruitment license suspended by the UK Borders Agency (UKBA) because of alleged abuses of the immigration system. A UKBA inspection at the university discovered that around 150 students from the Philippines, who were ostensibly recruited to a full time nursing degree programme, were working almost full time in care homes instead. The UKBA inspection also revealed that the students had only been attending the university for '1 or 2 days per month' instead of the required 15 hours per week.

The university has commenced an internal investigation but, whatever the outcome, this development is unlikely to be helpful to those FE and HE institutions seeking to persuade the government to relax its stance on the issue of student visas.

FE disadvantaged in recruiting international students

Current immigration rules allow international students in universities to work up to a maximum of 20 hours per week. International students in FE colleges, by contrast, can only work for 10 hours per week. In addition, the English language skills of university applicants can be tested in house, whereas FE applicants must have their English language skills verified via an external examination. This has led the AoC, amongst others, to argue that the entry demands and study requirements made of international students in FE are more stringent than those in universities, with the implication being that FE course requirements are more rigorous than those in universities are. The AoC has also argued that this means that universities have an unfair advantage when recruiting international students.

And finally....

There is a rumour going around the corridors of power that, whilst reaching down for some order papers he had dropped during a debate in the House of Commons, Vince Cable banged his forehead badly on his dispatch box. Over a drink in the members' bar later, Michael Gove apparently recommended to Mr Cable that he should rub margarine into his bump. This, he claimed, would help hide the bruise, reduce the swelling and relieve the soreness. However, it seems that after two weeks or so of rubbing in margarine on his brow, there was no discernable improvement. When Mr Cable told Mr Gove that the margarine remedy was rubbish and his head was still sore, Mr Gove was alleged to have said, 'I can't believe it's not better'.

Alan Birks – May 2011