

Sector Developments

Departures and Arrivals

Changes at the Institute for Apprenticeships (IfA)

Rachel Sandby-Thomas is to leave her role as shadow Chief Executive of the new IfA in September, and will take up the post of Registrar of Warwick University. The announcement of her departure came just two months after her appointment. The Department for Business Innovation and Skills (BIS) has now announced that Anthony Jenkins, the former Chief Executive of Barclays Bank, has been appointed as her replacement as shadow IfA Chair, and that Nicola Bolton, the former Managing Director for Trade at UK Trade and Investment (UKTI) has been appointed as shadow IfA Chief Operating Officer. A BIS spokesperson said that Mr Jenkins and Ms Bolton would be taking up their new posts with immediate effect. Meanwhile, BIS is recruiting a further eight people to complete the IfA board. Those appointed will receive an annual salary of up to £15,000, plus annual expenses of up to £4,000. In return, they must be prepared to commit two days per month to performing the duties specified in the job description and to 'contribute across a range of the Institute's strategic and governance issues'.

New Chief Executive for the Association of Colleges (AoC) appointed

Martin Doel, the incumbent Chief Executive of the AoC will stand down from his post on 1 September to take up the Further Education Trust for Leadership (FETL) sponsored professorship of FE and Skills at the University College London, Institute of Education. Following the re-advertisement of the post in March, David Hughes has been appointed as Mr Doel's replacement. Mr Hughes appointment as the new AoC Chief Executive came just five months after he was appointed as the Chief Executive of the new Learning and Work Institute, which was created through the merger of the National Institute of Adult Continuing Education (NIACE, of which Mr Hughes was the former Chief Executive), and the Centre for Economic and Social Inclusion (CESI). Prior to this, Mr Hughes undertook a series of senior roles at the Skills Funding Agency (SFA) and the former Learning and Skills Council (LSC).

Replacement for Ofsted Chief Inspector appointed

Education Secretary for England, Nicky Morgan has appointed Amanda Spielman as the next Ofsted Chief Inspector for England, replacing the current Chief Inspector, Sir Michael Wilshaw, who steps down from the post at the end of the year. Ms Spielman is currently the chair of examinations regulator Ofqual. Ms Morgan said that Ms Spielman was chosen for her experience in the education sector which, she said, included helping to implement the reform of GCSEs and GCE A-levels during her time at Ofqual, and overseeing the founding and the expansion of the academy chain, Ark. However, Ms Spielman has never been a teacher and, responding to her appointment, Kevin Courtney, the acting General Secretary of the National Union of Teachers (NUT), said, 'To have as the new Chief Inspector of Ofsted a person who has no teaching experience and who is heavily implicated in the academy programme, calls into question both their suitability and impartiality for the job'.

FE Commissioner to stand down in November

The FE Commissioner for England, Sir David Collins will stand down in November. Along with initiating intervention in under-performing FE colleges, Sir David has had overall responsibility for the implementation of post 16 area reviews in England. He is also the chair of nine area review steering groups across the first three waves. However, only two of these reviews have actually been completed, and five of the seven reviews from the first wave have continued well beyond the six-month period expected. Since many area reviews will still be ongoing long after his departure, concerns have been raised about the timing and the choice of his successor. In response, a BIS spokesperson said that Sir David's leaving date was 'in line with arrangements agreed', and that BIS was confident that Sir David's successor would be in post early enough 'to allow for a smooth handover period before his departure'.

College leaves the AoC to join the Association of Employment and Learning Providers (AELP)

Burton and South Derbyshire College has announced its intention to withdraw from its membership of the AoC and to become a member of the AELP instead.

BIS publishes guidance on how colleges can apply for area review related Restructuring Funds

BIS has published details of the procedure by which general FE colleges (GFEs) and sixth form colleges (SFCs) in England can apply for funds to assist with the cost of restructuring in the wake of area review recommendations. The guidance says that:

- Funding will be made available for colleges that will be 'impacted by a substantive area review recommendation' and are 'unable to fund the change themselves'.
- Wherever possible, funding will be made available as a loan (rather than a grant) 'with terms which are commercial, or as close to commercial, as possible'.
- All colleges are expected to show that, prior to applying for restructuring funds, 'alternative sources of funding have been considered and are being utilised as far as is possible'.
- All applications will need to clearly show how the proposal will help move the applicant college 'towards financial resilience, and higher quality and more responsive provision'.
- Colleges can apply for grants from the fund to cover any VAT costs resulting from the change in ownership of buildings due to an area review recommendation, either as part of their restructuring facility application, or separately through a process 'which will be published in due course'.
- Unlike the guidance on applying for 'Transition Grants' to enable colleges to pay for consultants to help them implement area review recommendations (eg mergers, premises rationalisation, etc), when applying for Restructuring Funds, colleges 'should usually not submit more than one application'.
- If an area review recommendation involves more than one institution, they should 'submit a single, joint application' that will need to include 'an implementation plan and a fully integrated financial model'.
- Implementation plans will need to state how the changes proposed will 'fit with area review recommendations' and 'what outcomes will be delivered'. They will also need to include a 'long term strategy and business plan' and include 'a curriculum plan that meets the area's educational and economic needs as set out in the area review report'. Applications will also need to include 'a clear, well evidenced and well thought through' financial forecast'.

No details have as yet been given of the total amount of restructuring funding available, or how much cash individual colleges can apply for. Further details and a copy of the application form can accessed at:

<https://www.gov.uk/government/publications/post-16-education-and-training-institutions-apply-for-financial-support-for-area-reviews>

Fear and loathing in Manchester

The Greater Manchester Combined Authority (GMCA) was given control over the region's skills provision in November 2014 in the first of the UK government's devolution deals. However, it seems that since then tensions have emerged between the 10 GFEs and 11 SFCs in the GMCA area and the GMCA itself. Disagreements appear to have arisen in relation to how the devolved responsibility for skills provision will be implemented by the GMCA. There also appears to be a level of disagreement between the colleges and the GMCA on the interpretation of the extent of the 'priorities and scope' of the Greater Manchester post 16 area review. The review itself is now in its ninth month, and during the fifth steering group meeting, representatives of the GMCA were said to be 'not happy' with proposals made by the colleges in response to the area review recommendations. The initial stance of the colleges was that they all were viable as stand-alone institutions, and they have since developed further proposals that recommend just two mergers. Representatives of the GMCA said that the Authority 'remained to be convinced' that the 'outcomes proposed by colleges would deliver the integrated learning infrastructure that is needed'. Apparently, the GMCA's position is that there is 'a need to take Greater Manchester as a whole rather than focusing institution by institution'. After last November's spending review, the GMCA was given further powers by BIS and the Department for Education (DfE) to ensure that 'area review outcomes met its priorities'. The GMCA has now formulated three alternative proposals of its own and has asked BIS for 'powers to enforce changes to the current proposals, should it become clear that the options being proposed cannot deliver a Greater Manchester-wide learning infrastructure that meets needs'. Since then, and in response to a specific request from the GMCA, BIS has appointed the Chief Executive of Trafford Council as chair of the Greater Manchester Area Review. Since area reviews are usually chaired by the FE Commissioner or the SFC Commissioner, the imposition by BIS of a chair from outside the sector appears to have further added to tensions.

Meanwhile, Skills Minister for England, Nick Boles, speaking at a recent Westminster Hall debate, said that the colleges involved in the Greater Manchester area review 'may not be looking far enough out and should think about the future landscape and opportunities, not just about rifts and threats'. He added that they should not seek to 'cling to their independence', but should 'try to be more cooperative with each other'.

UCU says that area reviews are a 'leap in the dark' and potentially a 'disaster for disabled students'

Speaking at the union's Annual Congress, held in Liverpool, the University and Colleges Union (UCU) general secretary Sally Hunt has said that the 'onslaught of area based reviews was a leap in the dark for the FE sector', and claimed that there was no evidence to support the belief 'that mergers and campus closures will help colleges achieve financial sustainability'. She went on to say 'Colleges and their staff really can't win under a government that seems to have little understanding of what they do and why they are important to their communities'. Also speaking at the event was Elaine Heffernan a teacher of Special Educational Needs (SEN) students and a member of the UCU's Disabled Members' Standing Committee. Ms Heffernan said that '16% of students in further education are disabled, and have an impairment or permanent health condition', and warned that area reviews could be a disaster for these students, since mergers and campus closures could force them to have to travel impossibly long distances.

First sixth form college applications for conversion to academy status announced

More than 50 sixth form colleges (SFCs) have now lodged an expression of interest in converting to academy status. The first sixth-form college to submit a formal bid to become an academy is New College Pontefract, which says that it hopes to 'transfer its assets to an academy trust on 1 January 2017'. However, this will require the prior approval of the steering group of the West Yorkshire area review, which is expected to report later this summer. The college has already created an academy trust and has received DfE approval to open a 16-19 free school in Doncaster in 2017. Assuming that the approval of the area review steering group is given, the college will begin a formal consultation on conversion to academy status later this year. It is also thought likely that Solihull Sixth Form College will formally submit an application to convert to academy status, after the college board voted to become part of a local Multi-Academy Trust.

Publication of TPE reforms and associated Skills White paper is delayed (again)

The report of the Technical and Professional Education (TPE) Qualifications Review chaired by Lord Sainsbury will not now be published until 8 July, and its recommendations will apparently not be piloted until at least 2019/20. The review report was understood to include a proposal that 15 new 'professional and technical routes' should be established. It is intended that the proposed new TPE routes will be delivered through full time course programmes that include 'substantial work experience', or through apprenticeships. The July date is some four months after the report was initially expected to be published and it was widely anticipated that the report's recommendations would form the basis of a Skills White Paper to be published shortly after. Instead, the timetable for the TPE pilot is expected to be announced just before parliamentary summer recess. Commenting on this, Iain Wright MP, chair of the House of Commons BIS Select Committee, said that when the TPE report and the Skills White Paper were eventually published, they would result in a fundamental 'shake-up of the post-16 sector'. (No change there then). Perhaps unsurprisingly, the delay appears to have been generally welcomed by sector leaders.

A further 60 apprenticeship frameworks to be withdrawn

The SFA has announced that it will cease to provide funding for 60 existing apprenticeship frameworks with effect from 1 December of this year. 150 new, employer-led apprenticeship standards are currently being developed, which will eventually result in all existing apprenticeship frameworks being phased out and being replaced by new 'trailblazer' standards. A spokesperson for the SFA said that most of the frameworks being withdrawn 'had low number of reported starts in the 2014/15 and 2015/16 funding years', and gave a reassurance that the change would 'not affect those apprentices currently completing their apprenticeship on these frameworks'. Further details on the frameworks being withdrawn can be accessed at:

<https://www.gov.uk/government/publications/removal-of-apprenticeship-frameworks>

Concerns about apprenticeships

Concerns raised with the House of Commons Subcommittee on Education, Skills and the Economy

Baroness Wolf, whose report contained the initial proposal for the introduction of an apprenticeship levy told members of the House of Commons Subcommittee on Education, Skills and the Economy that that the levy 'should not be limited to large employers'. She said that her original recommendation was that all employers should be within scope of the levy, but it seemed that just days before the report was due to be published, the government decided to restrict the imposition of the levy to employers with an annual payroll in excess of £3 million. She said that the change seemed to be 'very odd', and told committee members 'we have created another problem for ourselves by saying there is only going to be limited number of employers who are involved in this'. She went on to say 'If you're going to have a proper apprenticeship system, you have to get small and medium employers involved'. In response, a spokesperson for BIS said that the government was 'still consulting' on the matter.

Baroness Wolf also told the subcommittee that progress in implementing apprenticeship reforms had stalled and that although there has been a large number of new sets of standards announced, 'the reality is that out there nothing actually seems to have changed, in fact, we seem to have gone backwards'. She went on to warn MPs that the government's target of creating 3 million apprentices by 2020 meant 'we are not making any progress in shifting the focus of apprenticeships to high skill traditional routes'.

Further details of the evidence given to the subcommittee by Professor Wolf and by other 'academic experts', including Martin Doel of the AoC and Mark Dawe of the Association of Employment and Learning Providers (AELP), along with a video of the evidence sessions, can be accessed at:

<http://www.parliament.uk/business/committees/committees-a-z/commons-select/education-skills-and-economy/news-parliament-2015/apprenticeships-evidence-16-17/>

Concerns raised about employers being encouraged to deliver apprenticeship training directly

Included in the UK government's 'English Apprenticeships: Our 2020 Vision' policy document, was a statement saying that the government would 'expect to see more employers offering apprenticeship training directly'. This was followed by a statement in the BIS guidance on the apprenticeship levy, that said 'We recognise that employers can be extremely successful training providers and we want to encourage those who want to take this route to deliver high-quality apprenticeships'. The document also outlines the administrative arrangements that employers will need to implement in order to become approved training organisations (ATOs). However, 25% of the firms offering apprenticeship training directly that have been inspected by Ofsted under the new Common Inspection Framework (CIF) have been declared 'inadequate' (Grade 4), with Citroen, (which was allocated £1.07 million in SFA funding for 2015/16) being the latest of these. The average Ofsted grade achieved by all firms directly offering apprenticeship training is 'requires improvement' (Grade 3), and this has inevitably raised questions about the extent to which more employers should be encouraged to become direct providers of apprenticeship training.

Concerns raised by construction firms that they will have to pay two apprenticeship levies

Although firms with an annual payroll of less than £3 million will escape having to pay the apprenticeship levy, it seems that around 900 larger firms in the construction industry large firms will be forced to pay two apprenticeship levies simultaneously for at least a year. One of these, equivalent to 0.5% of their payroll bill, will be paid to support the UK government's apprenticeship levy, and the other, also equivalent to 0.5% of the payroll bill, will be paid to support the Construction Industry Training Board (CITB) levy. The CITB has now confirmed that construction firms with a payroll of more than £3 million will be required to pay both levies until March 2018, over which period, the CITB will carry out a consultation on the amount firms should contribute to the training body in the future. In order to mitigate the impact of having to pay two levies, the CITB is intending to introduce a 12-month 'transition package' that will give companies with a payroll of £3 million or more 'an enhanced rate of grants for the training activity they do'.

Concerns about poor progression from traineeships to apprenticeships

Traineeships were launched three years ago as part of the UK government's drive to help low-skilled young people, and particularly those aged 16 and 17 and not in employment, education or training (NEET), to be able to access a full apprenticeship. The government has been reluctant to provide information on how

many people have progressed from traineeships to apprenticeships, however a recent Freedom of Information (Fol) Act request lodged with the SFA has revealed that in 2014/15:

- For those aged under 19, 5,400 out of 7,400 starts (73%) achieved 'positive progression' (ie to a job, an apprenticeship or further full-time education).
- Of those aged under 19 who achieved 'positive progression', 2,280 (31%) started an apprenticeship.
- For those aged 19-24, 2,270 out of 5,200 (44%) achieved 'positive progression'.
- Of those aged 19-24 who achieved 'positive progression' just 450 (9%) started an apprenticeship.
- For all ages, 7,670 out of 12,600 (61%) achieved 'positive progression'.
- Of those of all ages who achieved 'positive progression', 2,730 (22%) started an apprenticeship.

Concerns are now being expressed about both the value for money of the traineeship programme, and the contribution that traineeships are making towards helping the UK government achieve its target of creating 3 million new apprenticeship starts by 2020. Responding to these concerns, a spokesperson for BIS said 'There is no requirement for those completing a traineeship to take up an apprenticeship'. This, in turn, has resulted in calls for traineeships to be re-designated and re-titled as 'pre-apprenticeship programmes'.

Concerns that apprenticeships are 'still not understood by learners, parents and businesses'

'Interserve', a multinational support services and facilities management company, has conducted research involving a survey of more than 5000 individual people and 500 businesses, on their awareness of, and attitudes towards, apprenticeships. The research findings reveal that just 7% of young people questioned said that they wanted to take an apprenticeship, compared with 72% who said they are planning on going to university or college, and that only a quarter 27% of parents thought that an apprenticeship would be the most useful option for their children in pursuing a future career. The research also suggested that there was a significant lack of awareness of apprenticeships amongst small and medium-sized enterprises (SMEs), with just 32% saying that they had heard of higher or degree-level apprenticeships. The survey also identified a significant 'North-South divide' in the attitudes towards apprenticeships. For example, in London, only 2% of young people said that they were considering taking an apprenticeship, compared with 8% in the North of England and Scotland. The Interserve report mirrors earlier research findings conducted last year by the think tank Demos on behalf of the Apprenticeships Commission, in which similar concerns were expressed about the progress being made in raising awareness of apprenticeships. A copy of the Interserve report on apprenticeship awareness can be accessed at:

<http://intparagon.com/the-interserve-society-report-apprenticeships-the-path-to-success/>

And a copy of the Demos research report can be accessed at:

http://www.demos.co.uk/files/476_1504_CoA_WEB_2_.pdf?1425489134

GUS seeks to buy the Apprenticeships Division of Learndirect

Global University Systems (GUS) is apparently in negotiations with the Lloyds Banking Group about the takeover of the Apprenticeships Division of Learndirect (LDC), which is now a private equity firm owned by the Lloyds Banking Group. To date, Learndirect has recruited more than 250,000 apprentices to its programmes. The sale is subject to the approval of the SFA, but this has apparently not yet been forthcoming. GUS already owns the London School of Business and Finance, the London School of Fashion and Design and the London College of Contemporary Arts. It operates in more than 30 different countries, including Canada, Germany and Singapore, as well as the UK, and has a current student population across its international network of more than 40,000.

In addition to apprenticeships and open learning programmes, Learndirect also runs the 'Life in the UK' citizenship test on behalf of the Home Office, the driving test on behalf of the Department of Transport (DoT), DfE Professional Skills Tests for aspiring teachers and tests to assess children in education from early years to the end of Key Stage 2, on behalf of the Standards and Testing Agency. Last December, Pearson, the FTSE 100 listed education and publishing group, attempted to buy the E-assessments Division of Learndirect, which includes the administration of the UK driving test, but aborted the bid after failing to secure agreement from Competition and Markets Authority (CMA). Unfortunately, the DoT prematurely cancelled its driving test contract with Learndirect and awarded the contract to Pearson for a four-year period without a further retendering process. When the deal with Pearson fell through, the DoT

had to agree a multimillion pound settlement with Learndirect.

The end of the road for FE subcontracting?

Around £1 billion of SFA funded provision is contracted out by 'prime' providers (including FE colleges) to subcontractors (mainly independent training providers). However, concerns have been expressed about certain aspects of the practice of subcontracting and value for public money it delivers. These concerns have been amplified by a number of developments in respect of the controversial practice, which include:

- BIS demands for an end to 'tactical subcontracting' in their 2015/16 grant letter to the SFA.
- A National Audit Office (NAO) investigation into the level of 'management fees' that subcontractors are being charged by main contractors.
- An on-going SFA review of the use of brokers to arrange 'short-term tactical subcontracting deals' between main contractors and subcontractors, and the commission the brokers charge for this service.
- Around 300 colleges and training providers have been threatened with bans on their subcontracting arrangements after they failed to comply with the required SFA disclosure rules.

The introduction of the apprenticeship levy will mean that FE colleges will no longer be allocated a separate funding allocation for apprenticeship training. Instead, employers will control apprenticeship funding, and they will be free to commission apprenticeship training from the subcontractor of their choice. This means that FE colleges can no longer be main contractors in a position to subcontract out apprenticeship training to independent training providers (ITPs). Instead, they will find themselves competing with ITPs to be awarded apprenticeship training contracts.

Delegates to last November's AoC conference were warned that they should 'plan for a future without subcontracting', and now, perhaps the final nail in the subcontracting coffin for FE comes in the form of new research findings from the AELP. An analysis of information provided by the SFA in response to a Freedom of Information Act from the AELP shows that in 2014/15:

- 62,240 of 157,290 (40%) of all apprenticeship starts contracted through FE colleges were delivered by ITPs as subcontractors
- 130,850 of 140,010 (93%) of all total subcontracted apprenticeship starts were delivered by ITPs
- 378,170 of 499,900 (76%) of all apprenticeship starts were delivered by ITPs.

AELP chief executive Mark Dawe said 'The data should leave no one in doubt that it is ITPs who have been driving the apprenticeship agenda. These are the providers that have had the relationships with employers and have been responsive to employers' needs'. He went on to argue that 'if the government wants the apprenticeship reforms to work, the key constituency around the table needs to be the ITPs'. Mr Dawe said 'Subcontracting is a complex issue, however, the sheer growth of it over the last 10 years has happened for reasons that are hard to justify'. He called on ministers to 'ensure that any public funding allocation system better rewards providers that can directly deliver apprenticeship starts for both levy payers and the smaller levy-exempt businesses, rather than through subcontracting arrangements'. Commenting on recent area review recommendations where colleges have been encouraged to apply for transition funding to help with setting up joint apprenticeship training companies, Mr Dawe said, 'All we are looking for is a level playing field and for all providers to have the same opportunities, whether college or independent training provider, private or charitable. He went on to say that the AELP was 'concerned that the government is unfairly providing financial assistance to colleges to help set up apprenticeship organisations in direct competition with independent training providers'. Mr Dawe said that 'in some cases, this feels like the government is distorting the market and potentially providing state aid in an inappropriate manner'.

Lord Sugar to become a government 'enterprise tsar' (again)

Lord Sugar has accepted the Conservative government's offer to become an 'enterprise tsar'. This is the second time that he has undertaken the role, with the first being in 2009 under the previous Labour government. However, he quit the role in May 2015 because (he said) of Ed Miliband's 'negative business policies' and his 'general anti-enterprise concepts'. A key part of his new role with the Conservatives will be to 'champion enterprise and apprenticeships among young people', and 'to encourage more businesses to take on apprentices'.

ETF Developments

ETF 2016/17 grant is announced

The ETF was established in 2014 as a replacement for the now defunct Institute for Learning (not to be confused with the new Learning and Work Institute). Earlier this month, it was announced that for 2016/17, the ETF will receive almost £23 million in government funding, jointly provided by BIS and the DfE. This is a 16% reduction in funding compared to the 2015/16 allocation, but ETF chief executive David Russell seemed relieved saying 'At a time when post-16 education spending is tightly constrained, it is excellent that both BIS and DfE have recognised the vital importance of continuing central investment in supporting quality in the profession'. Priorities for ETF expenditure in the coming year will include:

- Supporting individual and organisational effectiveness during a period of structural change in the sector.
- Expanding the membership of the ETF sponsored Society for Education and Training (SET) to 20,000 by March 2017, and to 35,000 by 201'. (SET is 'the professional membership service of the ETF for practitioners working in the post-16 education and training system').
- Continuing to develop Qualified Teacher Learning and Skills (QTLS) status 'as a voluntary recognition of professionalism and career development'.

A copy of the 2016/17 ETF grant letter can be accessed at:

<http://www.et-foundation.co.uk/news/etf-today-published-grant-letter-2016-2017/>

Society for Education and Training (SET) membership grades

SET was established by the ETF as a replacement for now defunct Institute for Learning (IfL). At its peak, the IfL had more than 180,000 members, but the organisation's popularity collapsed when its government funding was stopped and was replaced by a compulsory membership fee that was then increased from £30 to £68. This led to a boycott by members of UCU. When the IfL eventually closed in late 2014, only 9,000 members remained. SET has a brief to replace the IfL in 'promoting and providing for the professional development of staff working in FE sector'. There are four grades of SET membership, which are:

- SET Affiliate: for those new to the profession.
- Associate (ASET): for experienced practitioners who hold a minimum of a Certificate in Teaching in the Lifelong Learning Sector, (CTLLS) or equivalent, or Level 4 Stage 1 or 2 FE teaching qualification for full time teachers, or assessor awards.
- Member (MSET): for experienced practitioners who hold a minimum of a Level 5 Diploma in Teaching in Lifelong Learning Sector, (DTLLS) or equivalent, such as a PGCE, or Cert Ed, or a Level 5 Diploma in Education and Training or a Level 4 Stage 3 FE Teacher Qualification.
- Fellow (FSET): for highly experienced practitioners. There are a number of routes to Fellowship available. Fellows are eligible to Qualified Teacher Learning and Skills status (QTLS), according to their qualifications and teaching role.

SET proposes 'advanced' QTLS status

In 2012, QTLS became equivalent to qualified teacher status for school-based teachers, giving FE teachers the right to work in schools. However, despite the requirement for teachers in FE to have QTLS being scrapped by the coalition government in 2013, the qualification is still available, but only for SET members. The cost of undertaking what SET refers to as the 'professional formation' leading to QTLS is £485, payable in two instalments of £100 (non-refundable) and £385. The ETF is now also considering introducing 'advanced' QTLS status for FE lecturers, 'aimed at experienced teaching staff at the pinnacle of their professional ability', but former IfL president Beatrix Groves, who is now president of 'Tutor Voices', another organisation that represents FE teaching staff, has described 'advanced' QTLS as 'a rather silly idea'. She went on to say that 'QTLS is not a qualification. It's a statement of overall competency that says that the holder is a qualified teacher, equivalent in stature to teachers in the state schools sector'. She went on to ask, 'What could an *advanced* qualified teacher be?'. She also said that the introduction of an advanced QTLS would 'stratify the idea of comparability between FE and school teachers, leading us back to confusion as to what equivalency actually means'. She also pointed out that while secondary school teachers get Qualified Teacher Status QTS for free, and for life, FE practitioners have to pay £485 towards obtaining QTLS and a yearly fee of £80 to maintain it. More information on SET can be accessed at:

<https://set.et-foundation.co.uk>

ETF members surveyed on the future of functional skills

The ETF has conducted a BIS funded survey to seek the views of anyone working in the FE sector, (including adult and community learning, offender learning, private training, and work-based and union learning) on the future of functional skills. Questions in the survey focus on the role of digital skills and technology, the structure and size of qualifications, the distinction between levels, the motivation for learners and CPD. Further details are available via the link below:

<http://www.et-foundation.co.uk/research/maths-and-english-functional-skills-reform-programme/>

Frontier report for the ETF reveals an FE gender and ethnicity pay gap, and a contracting workforce

The ETF has commissioned a report from the international consultancy firm 'Frontier Economics' (which describes itself as 'a microeconomics consultancy providing economics advice to public and private sector clients on matters of competition policy, public policy, regulation, business strategy and behavioural economics'). The report compares the composition of the workforce in FE colleges in England in 2013/14 with the previous year, and uses data drawn from the Staff Individualised Record (SIR). The report findings include the following:

- The total size of the FE college workforce in England in 2013/14 was just under 250,000 people. This equates to around 157,000 on a full-time equivalent (FTE) basis. The college workforce shrank by almost 3% between 2013/14 and 2014/15.
- Looking at SFA data over a longer period, the analysis revealed a more significant decline and shows that overall staff numbers in colleges dropped by 9% over the three-year period to 2014/15. This equates to the loss of 12,000 full-time posts. The biggest drop was among senior managers at 10.2%, while the smallest was among assessors and verifiers at 1.2%. Job losses are attributed to the impact of FE funding cuts in England. (Some observers have drawn attention to the media coverage of threatened job losses, eg in the steel making and retail sectors, and the almost complete absence of any media coverage on the staggering scale of job losses in the FE sector).
- Pay levels for FE teachers rose by almost £1,000 between 2013/14 and 2014/15. However, the average salary for FE teachers (£29,100) remains significantly below that for schoolteachers (£37,400).
- Almost 60% of contracts in the FE college workforce are part-time. Many of these are 'zero hours' and temporary contracts. Part-time working is much more common in FE than in schools and in the wider UK economy (where around one in four people in the workforce are part-time).
- 63% of all FE contracts are held by women, a larger proportion than the general workforce, but a smaller proportion than in schools. Women made up a larger proportion of staff in 2014/15 than in the previous year. Female employees earned about £1,700 per year less than their male peers in 2014/15.
- Ethnic minority employees were paid about £1,000 less than white British staff. This is largely a result of the variation in the 'other managers' category (made up of staff in management roles, but not in senior management teams). Among this group, ethnic minority staff were paid about £5,600 less per year than their white British counterparts.
- Women and ethnic minorities are less likely to be in senior positions than men and white British staff respectively'. However, the report claims that there is 'no evidence that gender or ethnicity affects career progression in the sector.

A copy of the Frontier report can be accessed at:

<http://www.frontier-economics.com/es/noticias/frontier-report-suggests-reduction-staff-numbers-education-colleges-england-teacher-numbers-increase/>

Further FE workforce data can be accessed at:

<http://www.et-foundation.co.uk/research/workforce-data/fe-workforce-data-reports-2013-14/>

Adult learner numbers fall by more than 315,000 between 2013/14 and 2014/15

Along with the loss of around 12,000 FE staff, data recently published by BIS reveals that between 2013/14 and 2014/15 the number of adult learners aged 19+ in FE fell by 315,900 (or 11%). This was despite a 1.3% increase in the number of adult apprentices. A spokesperson for UCU said 'Without more investment,

this downward trend in participation is likely to continue'. In response, a spokesperson for BIS said 'Funding for the FE sector has not only been protected, but will increase in cash terms under this government'.

GCSE English and mathematics re-sits

'New, harder GCSEs might not be the best option for FE learners'

The 2015/16 academic year will be the first year in which all students who have not achieved a grade C or better in English and mathematics during their time at school will be required to retake the qualification at college. As a result, record levels of FE students will be re-sitting these examinations this summer. The 2016/17 academic year will then see the introduction of a new 'tougher' GCSE mathematics qualification with a new grading system that will run from 9 (the highest grade) to 1. Research suggests that many school pupils who would have achieved a GCSE Grade C in mathematics under the existing system are more likely to achieve the equivalent of a Grade D under the new system. This in turn will place more pressure on colleges in providing the teaching for re-sits in the subject.

The AoC also says that many students who arrive at an FE college have a 'very negative feeling' about the subject after not achieving a 'good' pass during their time at school, and that there is a 'question over whether GCSE is necessarily the right qualification for those young people for the skills that they need in the wider context'. A spokesperson for the DfE responded by saying 'Requiring students who don't master the basics to continue studying towards GCSE English and mathematics qualifications means young people are given another chance to succeed'. The spokesperson said that the government 'has provided an extra £480 funding per student, per subject for those with GCSE English or mathematics below grade C, and has protected the base rate of 16-19 funding'. She did not say 'so stop moaning and be grateful'.

Colleges face problems in recruiting sufficient numbers of mathematics and English teachers

A recent survey carried out by the AoC in partnership with Times Educational Supplement (*TES*) has revealed that there were 235,400 re-sit entries for GCSE English and mathematics in colleges, up by 40% from 166,570 entries last year. The dramatic increase in the number of students retaking English and mathematics GCSEs in colleges, has left around 90% of colleges in England struggling to recruit a sufficient number of mathematics teachers, and around 70% finding it difficult to recruit sufficient English teachers. 61% of the colleges said that they had been forced to take on additional short-term staff to meet demand, and 21% said that they had found it necessary to hire external venues in order to provide adequate exam hall space.

SFA publishes guidance on funding for 'legacy' GCSEs in English and mathematics

The SFA has published guidance on how it will fund 'legacy' GCSEs in English, English language and mathematics in 2016/17. The term 'Legacy' is used by the SFA in connection with existing GCSEs that are due to be replaced by the 'tougher' reformed GCSEs at the end of this academic year. The SFA has confirmed that funding will still be made available to teach students who have missed out on a C grade in English or mathematics until the summer of 2017. Further details can be accessed below:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/528067/How_the_SFA_and_EFA_will_fund_resits_of_legacy_GCSE_in_English_English_language_and_mathematics_in_2016_to_2017.pdf

Ofsted is accused of focusing too narrowly on English and mathematics

Both FE colleges and independent training providers claim that they are being 'unfairly penalised by Ofsted' because inspectors are focusing too narrowly on English and mathematics. An analysis of Ofsted reports published under the new CIF have specifically singled out English and mathematics provision for criticism, and that this has resulted in 'requires improvement' or even 'inadequate' grades being given. In several cases, shortcomings in English and mathematics provision are listed in providers not being judged 'outstanding'. If after 11 years of school education, some pupils have been unable to achieve good GCSEs in English and mathematics, some observers are now asking how reasonable it is for colleges to be expected to rectify these failings, often in less than one year, with funding of just £480 per student per subject. However, Paul Joyce, Ofsted Deputy Director for FE and skills has denied that English and mathematics judgements exert an 'overriding influence' on Ofsted's judgements of 'overall effectiveness during inspections. This is despite a recent spate of 10 FE colleges being given 'inadequate' ratings where

English and mathematics were the subject of critical comments in their inspection reports.

Coates review of prison education is published

The review of prison education conducted by Dame Sally Coates entitled 'Unlocking potential: a review of education in prison' has now been published. The recommendations made in the report include:

- Giving prison governors complete control of their education budgets and freedom to tailor a curriculum to suit their prisoners. (This means that they can enter into training delivery partnerships with local colleges, rather than being constrained to work with colleges that may have won national offender learning and skills (OLAS) contracts and that may be geographically remote from a prison).
- A two-year 'Teach First' training scheme to attract high-calibre graduates to work in prison education.
- Creating tailored 'Personal Learning Plans' for each prisoner on their arrival in prison.
- Giving prison governors greater discretion over prisoner access to ICT and digital technology to facilitate learning. (This is currently denied to prisoners).
- The introduction of a new, stand-alone Ofsted judgement on the effectiveness of prison education.

In presenting her report, Dame Sally said 'if education was the engine of social mobility, it is also the engine of prisoner rehabilitation'. In accepting the recommendations made in the report, Michael Gove (the Lord Chief Justice) said that at present 'The current standard of education in prisons is not good enough. Quality is patchy, prisoners are not being given the skills and knowledge they need to find jobs and governors are hampered by an overly bureaucratic system'. A copy of the report can be accessed at:

<https://www.gov.uk/government/publications/unlocking-potential-a-review-of-education-in-prison>

Sir Michael Wilshaw calls for all MATs to include a UTC

Speaking at the recent 'Festival of Education' event held at Wellington College in Berkshire, Ofsted Chief Inspector for England, Sir Michael Wilshaw, called on the government to insist that every Multi-Academy Trust (MAT) includes a University Technical College (UTC). This, he said, was to 'ensure that the UTC does not become a dumping ground for the difficult or disaffected'. Sir Michael's proposal is likely to be supported by government ministers, including Nick Boles, who is on record as saying that he would like to see UTCs 'become integral to the delivery nationwide of skills training'. However, this expression of support for UTCs comes in the midst of a spate of UTC closures caused mainly by a failure to recruit sufficient numbers of pupils to be financially viable. In addition to recent UTC closures, around 40% of the remaining UTCs that opened between 2010 and 2013 saw their pupil numbers fall in the current academic year.

English university graduate says that he was 'miss-sold' his student loan

A TV programme entitled 'Britain and Europe: The immigration question', first broadcast by BBC 2 on 14 June as part of the referendum debate, included an interview with a number of non-UK EU students who were studying at a Scottish university. They all said that they were pro-EU, and that belonging to the EU had provided them with a number of benefits and opportunities, one of which was the ability to take advantage of a free university education in Scotland.

This perhaps provides an interesting backdrop to the case of Simon Crowther, a student from England who graduated last year. Mr Crowther was in the first wave of students who were required to pay £9,000 per year university tuition fees. As a result, he graduated with 'a huge debt of £41,976'. To make matters worse for him, in the period between when he graduated in 2015 and his March 2016 Student Loans Company (SLC) statement, he has accrued interest on his loan debt of £1,828 (this being 3% plus 0.9% for current inflation). Mr Crowther says that he was still in the sixth form of his school when he agreed to take out loans to cover his fees and maintenance while at university, and that at the time he had 'no experience of loans, credit cards or mortgages'. In a letter to his MP, which he copied to the Prime Minister, he argues that he was 'miss-sold' the loan, because at the time 'he did not fully understand the level of debt he would accrue'. The SLC has rejected Mr Crowther's argument, saying that details of the likely level of debt that would be incurred and interest rates that would be charged were 'clearly set out', and that 'all students that take out a loan must first sign a declaration confirming that they have read and understood the terms and conditions of the loan'. Mr Crowther has now posted his letter to his MP on Facebook, and it has 'gone viral' with more than 40,000 'shares'. As a consequence of this, a number of students who find themselves in a similar position to Mr Crowther, are investigating the possibility of commencing a 'class action' against the SLC in

the courts.

(Meanwhile, any student from England who might be considering applying to a Scottish university as way of avoiding incurring tuition fee debts should forget it. Unlike non-UK EU students, students from England who attend Scottish universities are charged a flat £9,000 per year in tuition fees by the Scottish government. They can however apply for a loan from the SLC to cover this).

Brexit and FE

On 23 June, a collective majority of people in England, Scotland, Wales, Northern Ireland and Gibraltar voted to leave the European Union. It is believed likely that there will now be a two-year negotiating period, during which the terms of Britain's departure from the EU will be agreed. Concerns have been expressed about the implications of Brexit for education and skills funding, since prior to the vote, the Chancellor of the Exchequer, George Osborne, published details a draft budget, which indicated that in the event of Brexit, education funding could be cut by £1.15 billion. Although Mr Osborne is still warning that Brexit will require tax rises and spending cuts, at present it would seem that a further austerity budget will not be implemented (not least because of the difficulty in getting such a budget through the House of Commons). With David Cameron's resignation, it would also appear that Mr Osborne's own future as Chancellor, has been thrown into doubt. However, it seems unlikely that FE and HE will not be affected by Brexit, and some of the ways that the outcome of the referendum might impact on the two sectors are given below.

EU Funding and FE

At present, the UK currently makes a *gross* contribution of around £19 billion a year (or £361 million a week) to the EU budget. This is gross figure is reduced to a *net* contribution of around £8.5 billion (£161 million a week) because of a rebate (mainly in respect of the UK's contribution to the EU common agricultural fund) of around £4.5 billion and receipts from various EU grants to both the public and the private sectors of around £6 billion. Included amongst the EU grants, the English FE sector has a share of £0.2 billion from the European Social Fund (which is cash that the UK receives back from the EU, to 'increase job opportunities and to help people to improve their skill levels, particularly those who find it difficult to get work'), and £1 billion from the European Regional Development Fund, (which is intended mainly to support capital and infrastructure projects). All European funded projects must comply with the priorities agreed by the EU Commission, and member states in receipt of EU funds are usually required to 'co-finance' approved projects by providing 'matched funding'. When countries are running budgetary deficits, providing 'matched funding' for EU funded projects usually requires extra government borrowing. In 2014/15, 107 different FE providers (including colleges, local authorities, ITPs and universities offering FE programmes) received £305,267,633 from the European Social Fund (ESF), which was distributed through the SFA as part of the funding allocation process. Providers based in areas of deprivation received virtually all of this funding. However, with the vote to leave the EU, questions are now being raised about how ongoing ESF projects will be affected, and what proportion of the funds that will be 'saved' as result of no longer having to contribute to the EU budget, will be allocated to FE in the future. A spokesperson for BIS said 'It is too early to tell what will happen with ESF. For the time being it will be business as usual'.

Apprenticeships

Prior to the referendum vote, Skills Minister for England, Nick Boles warned that if the UK voted to leave the EU it might 'not be prudent for the apprenticeship levy to go ahead according to the proposed timescale'. In response, both the AoC Chief Executive, Martin Doel, and the AELP Chief Executive, Mark Dawe both called on the government to 'maintain its target and schedule for creating 3 million apprenticeships by 2020'. Nevertheless, Mr Boles said that following the referendum result, a number of apprenticeship reform announcements would be delayed. These include the following:

- Provisional funding bands, which will set the maximum amount of funding available for each apprenticeship.
- The level of funding support for apprenticeship training for firms who are not levy payers.
- The level of the extra payment to those employers that recruit 16-18 apprentices.
- The amount that will be paid for English and mathematics provision for those apprentices who need it.
- Eligibility rules for determining which people apprenticeship funding can be spent on.
- Information on how employers can set up organisations to deliver apprenticeship training.

Mr Boles did say that he hoped these details could be announced 'before the summer recess'. More details can be accessed at:

<https://www.gov.uk/government/publications/apprenticeship-levy-how-it-will-work/apprenticeship-levy-how-it-will-work>

EU funding and HE

Vice-chancellors from the 'Universities UK' umbrella group say the decision to leave will create 'significant challenges' for higher education, and the Russell Group of universities says it is calling on ministers to safeguard around £500 million in research funding currently received through EU grants (see above). In addition, there are currently 125,000 EU students in UK universities here, entitled to similar arrangements to those offered to UK-based students (e.g. entitlement to free tuition in Scotland and access to student loans in England). Wendy Piatt, the Director General of the Russell Group, said 'The UK has not yet left the EU so it is important that staff and students from other EU member countries understand that there will be no immediate impact on their status at our universities'.

And finally...

Three apprentice roofers were working on site and were taking their lunch break sitting on the roof they were working on. They all had packed lunches. The first apprentice opened his lunch box, looked in, curled his lip and said 'Oh no! Cheese and pickle sandwiches again! I hate cheese and pickle! I hate the stuff! I think I'll end it all'. He then stood up and threw himself off the roof. Fortunately, the building the apprentices were working on was a bungalow and, on being admitted to hospital, it was discovered that he had only suffered a mild concussion as a result of his fall. The following day, the two remaining apprentices were sitting on the roof taking their lunch. The second apprentice looked inside his lunch box, groaned, and said 'Oh no! Corned beef sandwiches again! I hate corned beef! I hate the stuff! I think I'll end it all'. He then stood up and threw himself off the roof. Again, because the building was so low, on being admitted to hospital, it was discovered that the only damage he had sustained was a few cuts and bruises and a sprained ankle. On the next day, the last of the three apprentices was sitting on the bungalow roof taking his lunch on his own. He opened his lunch box, looked inside, rolled his eyes and said (to himself) 'Oh no! egg and tomato sandwiches again. I hate egg and tomato! I hate the stuff! I think I'll end it all', He then stood up and threw himself of the roof. Fortunately, on being admitted to hospital, it was discovered that he had just sprained his wrist and dislocated his thumb'.

At the Health and Safety investigation that followed, the mother of the first apprentice told inspectors 'I can't understand it. He only had to tell me that he didn't like cheese and pickle, and I would have put something else in his sandwiches'. The mother of the second apprentice said 'I can't understand it either. If only he'd told me he didn't like corned beef I would have put something else in his sandwiches'. The mother of the third apprentice said 'Well I can't understand it either. He always made his own sandwiches'.

Alan Birks – June 2016

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