SECTOR DEVELOPMENTS…

DFE WILL *NOT* PROVIDE FUNDING FOR A PAY INCREASE FOR FE COLLEGE STAFF IN ENGLAND

The median salary of an FE college lecturer in England is around £30,000. This compares to the current median salary of £37,000 for a school teacher. Last month (August), the Department for Education (DfE) announced that school teachers in England will receive a pay increase of between 1.5% and 3.5%, depending on seniority. The increase assumes that schools have already budgeted for a 1% pay increase with the DfE providing £187 million in 2018/19 and £321 million in 2019/20 to fund the remainder of the award. Further details can be accessed at:

https://www.gov.uk/government/publications/teachers-pay-grant-methodology/teachers-pay-grant-methodology

Disappointingly, but perhaps unsurprisingly, the DfE has confirmed that *no* extra cash will be provided to fund a pay increase for general FE (GFE) college or sixth form college (SFC) college staff. Neither, says the DfE, is there any prospect of this until the 2019 spending review has been completed. Interestingly, the DfE has managed to find the extra cash for a pay increase for teachers in those SFCs that have converted to academy status but has refused to provide any cash for those that have not. In a letter she sent to the Chief Executive of the Association of Colleges (AoC), David Hughes, the Apprenticeships and Skills Minister for England, Anne Milton reminded him that 'the DfE does not set the pay for teachers in colleges', since this is done through national negotiations between the AoC, the Sixth Form Colleges' Association and unions representing GFE and SFC staff. It is then up to individual colleges to decide whether they can afford to implement any award recommended. Ms Milton went on to say that the question of FE pay levels would be considered as part of the 'FE Funding and Sustainability Review' that she has commissioned. Many believe that having found extra funding for pay increases for school teachers, the DfE is even less likely to have the money needed to fund a pay increase for FE staff. To add to gloom, last month the Chancellor of the Exchequer, Philip Hammond called on government departments with 'unprotected' services (which includes FE) to find areas for further cuts. (Mr Hammond has announced that he will be setting out the government's approach to spending for the next year on 29 October. This suggests that FE staff are more likely to be facing an increased risk of redundancy than they are an increase in pay.
A spokesperson for the University and Colleges Union (UCU) has warned that Ms Milton's letter 'does not let colleges off the hook when it comes to staff pay' and that strike ballot notices had be sent to colleges that have not yet confirmed that they will accept the union's 2018/19 pay claim for a 5% pay increase and a guaranteed minimum increase of £1,500 for the lowest paid staff. The spokesperson added that it was 'foolish to rely solely on a plea to the government to meet staff pay expectations' and that colleges 'must now find the money for a pay increase from elsewhere'. Ms Milton's letter to Mr Hughes can be found at:

https://www.aoc.co.uk/sites/default/files/Letter%20from%20Anne%20Milton%20%2021%20August_0.pdf

EMPLOYER CONTRIBUTIONS TO THE TEACHERS' PENSION SCHEME (TPS) SET TO RISE

The Treasury undertakes a valuation of the funding needed for public sector pensions every four years. The most recent valuation suggests that a further £4 billion more will be needed in annual employer contributions to maintain public sector pension payments at current levels. Within this total, it is anticipated that college employer contributions to the scheme will need to increase from 16.48% to 23.6% from September 2019. This will take college contributions up from 5% of their total income to 7% of their total income. The DfE has committed to providing additional funding for the additional employer pension contributions needed in respect of maintained schools and academies, but will only cover the extra costs for colleges until the end of the 2019/20 financial year, meaning the support funding could run out at the end of March 2020. A copy of the document can be found at:

https://www.teacherspensions.co.uk/news/employers/2018/09/valuation-of-the-scheme.aspx

ESFA ESTABLISHES A NEW ITP INTERVENTION AND PREVENTION TEAM

Following a number of high-profile independent training provider (ITP) failures, the Education and Skills Funding Agency (ESFA) is strengthening its 'Provider Market Oversight Unit'. Specialist auditors are to be recruited to help identify ITP financial risks and to enable 'a swift response to provider failure'. The new ITP audit team will report directly to Matt Atkinson, the director of ESFA's Provider Market Oversight Unit, which already has around 120 staff.

DFE COMMITS £7.5 MILLION FOR CONSULTANTS TO HELP IMPLEMENT NEW COLLEGE INSOLVENCY REGIME

The DfE has allocated £7.5 million (spread over a 15-month period) to procure the services of insolvency consultants, specialist accountants and legal advisors to help implement the new college insolvency scheme expected to come into force in early 2019, after which exceptional financial support (EFS) will be withdrawn. Amongst the duties of those appointed will be 'conducting reviews of colleges in financial difficulty' and 'acting as administrators in cases of actual college insolvency'. Prospective contractors are required to complete a tender document and return it to the DfE by 21 September. Some observers have suggested that the cost of administering the new insolvency regime, along with the huge amounts allocated for EFS (£57million to date) and restructuring funds (up to £560 million), are expensive solutions to financial problems which colleges would have been less likely to face if they had been allocated this funding as part of their core budgets in the first place. A copy of the tender document can be found at:

https://www.contractsfinder.service.gov.uk/Notice/cfd04ba9-efd9-46f9-84ac-a8bb764799ee?p=@8=UFQxblRRPT0=NjJNT0

DFE REPORT SAYS EMPLOYER OWNERSHIP OF SKILLS PILOT HAD NO IMPACT ON WORKFORCE SKILLS DEVELOPMENT

The 'Employer Ownership of Skills Pilot', which ran from 2012 to 2017 and cost around £350 million, was intended to 'test the effect that giving employers direct access to public funding and the impact this had on their own investment in the skills of their workforce'. However, the report of an evaluation of the pilot commissioned by the DfE and carried out jointly by CFE Research and the University of Sheffield has concluded that there is 'no evidence to suggest that the EOP changed employer attitudes towards training or that it led to subsequent increases in the number of staff trained'. A copy of the report can be found at:

https://www.gov.uk/government/publications/employer-ownership-of-skills-pilot-round-1-final-evaluation

NEW IFS REPORT HIGHLIGHTS THE EXTENT OF SEVERE CUTS TO GFE AND SFC FUNDING

The Institute for Fiscal Studies has published its '*2018 Annual Report on Education Spending in England'.* Amongst other things, the *report* reveals the extent of the cuts to FE funding in England over the period since 2010/11. These cuts, says the report, have been greater than for any other education sector, with 16-18 funding falling by 21% in real terms while funding for adults aged 19+ fell by 45%. Turning to other education sectors the report says that:

- There has been a **large expansion in spending on early years education**, increasing from almost nothing i**n the early 1990s to around £3 billion in 2017/18 (with a 9% increase in the last year alone)**.
- University funding is 22% higher than it was in 2010/11 and 60% higher than in 1997. The government argues that it now spends 90% less on HE than it did in 2011/12 because students in England are required to take out loans to meet the cost of their fees and maintenance. **However, others argue that** because the government provides the funds for the loans through the Student Loans Company (SLC) and that a large proportion of the loans are unlikely to be repaid, this represents false accounting.

A copy of the IfS report can be found at:

https://www.ifs.org.uk/publications/13306

CRISIS? WHAT CRISIS?

Perhaps unsurprisingly, the DfE denies that there is any FE funding crisis and, in addition to blaming poor leadership and management for the financial woes of the sector, has listed some the ways in which it claims that it is supporting the FE sector. However, sector leaders are now becoming increasingly more vocal in challenging this. For example:

- DfE: *'We have protected the base rate of funding for 16-19-year-olds, worth £4,000 per student for 16-17- year-olds', until 2020:* FE Leaders: *'The rate has actually been frozen until 2020 following many years of real cuts. There has also been an additional 17.5% reduction in funding for learners over the age of 18 and reduction of entitlement funding from 117 guided learning hours to 30'.*
- DfE: *'We are putting £500 million into T-Levels':* FE leaders: *'Very few colleges have been nominated to deliver T-Levels and the numbers of learners will initially be very small'*. (One college reported that it will have only 45 T-Level students out a total of around 5,500 students age 16-19). *'T-Level funding is just another hypothecated extra spend for a proportionately small number of learners, the bulk of which will not come into force for at least 2 years'.*
- DfE: *'We are putting £170 million into Institutes of Technology (IoTs)':* FE leaders *'There are some 16 approved IoT consortia/bids nationally, with many providers in each. The capital contribution is small and does nothing to address the total capital costs, and still less the revenue costs. Also, IoTs will have no real impact if low pay means that qualified and experienced staff cannot be recruited to staff them'*.
- DfE: *'Area Wide Reviews have addressed the financial frailty of the sector':* FE leaders: *'The operating deficits and debt positions of colleges are grave and continue to worsen. Despite the 54 mergers completed or expected to be completed over the three-year period from 2016 to 2018 and the high levels of exceptional financial support (£57 million to date) and restructuring funds (up to £560 million) provided to help facilitate them, the DFE itself predicts that the number of colleges in severe financial will triple. Also, evidence increasingly suggests that large cost-driven mergers may not be as efficient and effective as was thought and neither is the remote management of local provision by colleges some distance away'.*
- DfE: *'Up to £5 million is being made available to provide financial support for up to 150 industry experts to become FE teachers and to support up to 40 innovative projects':* FE leaders: *'Given the sheer numbers of staff needed and low pay levels in the FE sector, this does not even begin to address the problem'.*

When the Conservative/Liberal Democratic Coalition Government was looking for public spending cuts in the wake of the huge bailouts given to banks following the 2008/9 financial crash, Vince (now Sir Vince) Cable, the then Minister for Business, Innovation and Skills (BIS) let it slip that his civil servants had advised him that he could save money by 'getting rid of' public sector further education. This, they said, was because 'very few would notice' if it disappeared. Sir Vince claims that at the time he rejected their advice, but some have suggested that because of the severity of cuts to FE provision, his successors have been taking the advice of these civil servants somewhat more seriously.

AOC PLANS WEEK OF ACTION IN 'LOVE OUR COLLEGES' CAMPAIGN

The AoC also appears to have abandoned what has, on occasion, been described as an over conciliatory approach to its dealings with UK government officials. For example, it has organised a '*week of action'* that will run from 15 October until 19 October (so strictly speaking *5 days of action*). The campaign of which the Week of Action is a part has been branded 'Love our Colleges' and focuses on calls for fair funding for colleges in England. FE unions, college principals and staff and students have agreed to join forces to support the campaign and to lobby parliament and MPs. Although some observers have expressed doubts about how effective this will be, increasing public concern about the fragility of the entire public FE sector appears to be gaining some traction. For example, there has been an increase in the levels of coverage of FE funding issues in the mainstream media. (See the recent Channel 4 article below):

https://www.channel4.com/news/nus-president-shakira-martin-further-education-helped-me-break-cycle-of-deprivation

AOC CONSULTS ON A PROPOSED SENIOR STAFF PAY CODE FOR FE COLLEGES IN ENGLAND.

Following government pressure on colleges to justify salaries paid to staff in excess of £150,000, the AoC has launched a consultation with member colleges on a remuneration code which, says the AoC, aims to provide guidance to college corporations on setting senior staff pay. The proposals include the following:

- There should be no pay rise for senior staff unless all other staff receive a pay rise
- Principals should not be involved in setting their own pay or attend remuneration committee meetings
- The remuneration committee should not be chaired by the chair of the governing body
- Colleges should publish principals' salaries separately (including the pay multiple of the principal's remuneration compared to the median earnings of the institution's whole workforce)
- The principal's pay should not be subsumed within the total salaries of all senior staff
- The principal's salary should be open to public scrutiny, along with a justification for the amount paid
- Bonus payments linked to the achievement of annual objectives should not be consolidated
- There should be a 'clear and justifiable rationale' for income personally retained by senior post holders from paid work they may carry out for external bodies.

The consultation ends on 23 November. A copy of the consultation document can be found at:

https://www.aoc.co.uk/the-colleges-senior-staff-remuneration-code-consultation

DFE ALLOCATES EXTRA FUNDING TO OFSTED TO VISIT ALL NEW APPRENTICESHIP PROVIDERS

The DfE has agreed to provide the full £5.4 million requested by Ofsted to fund visits to all new apprenticeship providers over the period to March 2020. Ofsted says the funding is necessary to enable the early identification of poor provision. The inspectorate has not confirmed how many more inspections or inspectors the extra money will fund but it is anticipated that it will be sufficient to enable 2-day monitoring visits to as many a 1,200 new apprenticeship providers.

LATEST DATA SHOWS APPRENTICESHIP STARTS INCREASED IN JUNE, BUT OVERALL TRAJECTORY CONTINUES DOWNWARDS

Despite the almost exponential increase in the numbers of new apprenticeship providers, the latest data published by the DfE (September 2018) shows that the overall trajectory in apprenticeship starts is still downwards. Although starts in June 2018, increased by 57% compared with June 2017 (22,300 compared with 14,200) this is 40% less than June 2016's total of 37,000 starts. Also, the overall total number of starts in the period between August 2017 and June 2018 was 341,700 compared with 472,500 for the same period in 2016/17, a 28% reduction. The September data can be accessed at:

https://www.gov.uk/government/statistics/apprenticeship-and-levy-statistics-september-2018

2017/18 APPRENTICESHIP LEVY RAISES £400 MILLION LESS THAN EXPECTED

It was originally expected that the 2017/18 apprenticeship levy would raise £2.7 billion. The Office for Budget Responsibility (OBR) then revised this figure down to £2.6 billion. However, the actual amount raised by the apprenticeship levy in 2017/18 was £2.3 billion. Also, of the £1.4 billion in levy funds raised so far in 2018/19, only £207 million has been claimed by employers. With levy funds set to start expiring from April 2019, there are concerns that much of the remaining funding will not be spent. Meanwhile at a recent briefing meeting, despite being asked the question three times by journalists, a government spokesperson refused to confirm that the government's 3 million apprenticeship starts by 2020 target still existed.

IFA FUNDING BAND REVIEW

The Institute for Apprentices (IfA) is undertaking a review of the funding bands covering apprenticeship standards in England. The IfA was requested to undertake the review by the DfE to 'help ensure that the funding bands represent good value for money for employers and government'. Employer groups can appeal against any recommendations for a change in the level of funding for a particular standard, and any change will be subject to the approval of Damian Hinds, the Minister for Education in England. Thus far, 8 funding bands have been reviewed, the outcome of which has resulted in a recommendation for reductions for 6 standards and increases for 2. The largest of these cuts affects the level 6 Chartered Manager Degree Apprenticeship, which is facing a reduction in funding from £27,000 to £22,000. The apprenticeship standard that has received largest recommended increase in funding thus far is the level 3 Aviation Ground Specialist Apprenticeship which if approved, will see its funding doubled from £3,000 to £6,000. On 17 September the ESFA published it latest update to the funding bands and rates that will apply to apprenticeships from 1 August 2018. The update can be accessed at.

https://www.gov.uk/government/publications/apprenticeship-funding-bands

CONSTRUCTION INDUSTRY TRAINING BOARD (CITB) INVENTS 'REVERSE SUB-CONTACTING'

Subcontracting usually involves a third-party training provider (the subcontractor) delivering all or part of an ESFA contract held by a prime provider (the contract holder). The prime provider, often controversially, will retain as much as 40% of the contract funding by deducting 'administration' and/or 'management' fees before handing over the balance to the subcontractor. However, after the CITB failed to win an ESFA non-levy apprenticeships contract, it came up with the innovatory idea of 'reverse subcontracting'. This involves colleges that hold ESFA contracts for construction training being required to pay the CITB a 'management fee' of as much as 36% of the contract value in return for the CITB giving colleges access to construction employers and for providing other services such as 'inductions and health and safety training'. The AoC claims that 'reverse subcontracting' arrangements such as the one being proposed by the CITB contravenes ESFA funding rules, but following a meeting between the AoC and the CITB it was agreed that both organisations would work together to find a way forward. It was also agreed that while the matter was discussed, the CITB would 'pause discussions' with colleges on its reverse subcontracting plans.

DFE LAUNCHES T-LEVEL TENDER PROCESS

The DfE has launched tenders inviting bids for contracts worth a total of £17.5 million covering each of the first 3 T-Level pathways to be delivered from 2020. These are Digital (digital production, design and development pathway), Childcare and Education (single pathway) and Construction (design, surveying and planning pathway). There will be only one awarding organisation (AO) for each individual T-Level and those awarding organisations (AOs) that are successful will be given an exclusive license to develop and deliver the new qualifications. The closing date for submitting bids is 26 October, with a contract start date scheduled for 4 March 2019. The decision to have just one AO per qualification has been contentious with AOs as has the rights to ownership of the intellectual property in them, but speaking at the launch of the T-Level tender process, Anne Milton, the Minister for Apprenticeships and Skills in England defended the decision saying 'If you want a gold standard, you produce one standard, not multiple ones. We're not there to prop up the exams industry'. A copy of the tender document can be found at:

https://www.contractsfinder.service.gov.uk/Notice/6a9a540f-b1d8-413e-b00f-f7eb29a52011?p=@8=UFQxUlRRPT0=NjJNT0

T-LEVEL PANEL MEMBERSHIP

T-Level panels are responsible for developing the outline content for new awards. The panels are made up of employers, professional bodies and others whose role it is to help and provide advice in creating technical education programmes across the 11 T-Level routes. These routes are:

- Agriculture, environmental and animal care
- Business and administration
- Catering and hospitality
- Construction
- Creative and design
- Digital
- Education and childcare
- Engineering and manufacturing

- Hair and beauty
- Health and science
- Legal, financial and accounting

The membership of the new panels for the 3 T-Levels scheduled to commence in 2020 can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/739096/T_Level_panel_members_2020_and_2021_delivery.pdf

And for those T-Levels scheduled to commence in 2021 can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/738821/T_Level_panel_members_2022_and_2023_delivery.pdf

TWO THIRDS OF PARENTS HAVE NOT HEARD OF T-LEVELS

Meanwhile, a recent survey of over 1,000 parents of young people aged 11-18 commissioned by the Chartered Management Institute (CMI), found that 62% had never heard of them. In lower income households and lower socio-economic groups, awareness was even lower, with around 80% of parents saying that they had never heard of T-Levels.

DFE RESEARCH REVEALS EMPLOYERS' CONCERNS ABOUT T-LEVEL WORK PLACEMENTS

Research commissioned by the DfE has revealed that 'overall, employers welcomed the idea of industry placements' and viewed the proposed length of placements as being 'sufficient to enable the young person to undertake work of value to both employers and learners'. However, many said that because of the cost of providing training and supervising a young learner, they would require to be paid to offer them. Some employers, mainly in the construction and engineering sectors, said that they would not be offering T-Level work placements because they were 'not clear on how T-Levels fitted with the range of other qualification options available'. Others said that the cost and complexity of offering T-Level placements could result in them cutting back on the number of apprenticeships they offered. A copy of the report can be found at:

https://www.gov.uk/government/publications/employer-engagement-and-support-for-t-level-industry-placements?utm_source=368cc398-73ae-458e-b396-f98a2af1b8b3&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate

OFQUAL ACTS ON INITIAL RESPONSES TO ITS CONSULTATION ON T-LEVEL ACCREDITATION

Following early responses to its consultation on T-Levels, Ofqual has abandoned its proposal that T-Level examinations should only be offered once a year and now says that it will 'allow additional assessment series where appropriate'. This means that students will not now have to wait a whole year to retake their examinations. Ofqual has also abandoned proposals to introduce a 'working towards' grade for students who narrowly fail their T-Level examinations following responses saying that there was 'limited value in this grade'. Instead, those students who do not successfully pass all elements of the T-Level will be issued with a 'Statement of Achievement' in those areas in which the student has achieved the required standard. The consultation process comes to an end on 28 October.

ECONOMY HELD BACK BY A SHORTFALL IN LEVEL 4 & 5 QUALIFICATIONS, REPORTS SAY

Only 10% of UK adults hold qualifications at level 4 or 5 as their highest award, which is lower than in many other countries. Highlighting this, a flurry of new reports on the need to develop and promote level 4 and 5 qualifications has been published.

The Higher Education Policy Unit (HEPI) report '*Filling in the biggest skills gap: Increasing learning at levels 4 and 5'* argues that one of the main reasons for major skills shortages at levels 4 and 5 is that there is a shortfall of learners progressing from levels 2 and 3. The report says that 36% of young learners do not proceed from level 2 to level 3 and a further 21% of all learners do not progress from level 3. This means that one in six working-age adults has not successfully progressed to level 4 or beyond. To help address this, HEPI argues that there is a need to 'revive the layers of education that lie between school-leaving exams and university degrees, where employers say they face the biggest `skills gaps'. HEPI also argues that the government should fund FE colleges in England to offer level 2 and 3 provision (including GCSE and A levels) for all learners, regardless of age. (At present, the government funds level 2 and 3 education for learners under the age of 19, and those aged under 25 on a 'first full level 2 or 3 course', but those who are older must fund themselves or borrow the money by taking out a loan). A copy of the HEPI report is available at:

https://www.hepi.ac.uk/2018/08/23/6393/

Universities UK (UUK) has responded to the HEPI report by publishing its own report entitled '*Solving future skills challenges'.* The report, amongst other things, identifies unmet demand for level 4 and 5 higher level qualifications (such as HNCs, HNDs, and Foundation Degrees) and calls on universities to help 'reverse the collapse in technical education in England' through growth in the partnerships between HE and FE and a 'move away from the outdated and unhelpful distinction between technical and academic education'. A copy of the report is available at:

https://www.universitiesuk.ac.uk/policy-and-analysis/reports/Documents/2018/solving-future-skills-challenges.pdf

The AoC stepped in to the debate by producing its own policy paper entitled '*2030 and beyond: An upgraded Post-18 education system'* which is part of its response to the UK government's review of post-18 education and funding in England. The paper agrees that the country has 'low numbers of students taking courses at levels 4 and 5 when compared to our OECD counterparts' and argues that there is currently an 'executive lift' taking 18 and 19-year-olds directly from level 3 courses to level 6 degrees with 'very few taking courses at the levels in between'. In the paper, the AoC says that although some level 4 and 5 qualifications, such as Higher Nationals (HNC/D) and Foundation Degrees, are well developed (e.g. in engineering, construction, business and hospitality), they are 'less well known, understood and respected than degrees by parents, schools and employers in many sectors of the economy'. To combat this, the AoC says that a new suite of one and two-year level 4 and 5 qualifications should be developed, funded through an employer 'higher technical levy' or alternatively from a top-slice of the funds for apprenticeships for over-25s, accompanied by grants and loans to help students pay for their studies and maintenance. The paper also calls on the government to scrap the 24-age limit on free first level 2 and 3 courses in England. A copy of the AoC policy paper is available at:

https://www.aoc.co.uk/sites/default/files/2030%20and%20beyond%20An%20upgraded%20Post-18%20education%20%28September%202018%29_0.pdf

The DfE has responded to the reports by pointing out that a review of provision at level 4 and 5 is currently underway. Earlier this month, an interim report on the review's findings was critical of current level 4 and 5 provision and suggested the current low levels of participation 'could indicate that the education system is not working as effectively as it could'. A copy of the DfE interim report is available at:

https://www.gov.uk/government/publications/review-of-level-4-and-5-education-interim-evidence-overview

Further details of the government's review of post-18 education and funding can be found at:

https://www.gov.uk/government/publications/review-of-post-18-education-and-funding-terms-of-reference

Interestingly, none of the reports, papers or responses pay much attention, if any, to foundation degrees.

STUDENTS FROM ENGLAND AT UK UNIVERSITIES PAY FIFTH HIGHEST FEES IN THE WORLD

'Finder' (a personal finance comparison website) says that, for students from England, the cost of attending university anywhere in the UK is now the fifth highest in the world. Virtually every public university in the UK now charges students from England £9,250 per year. University education is free in Scotland for Scottish students and for students from all other EU countries (but not for students from other UK countries). Fees in Wales and Northern Ireland for students from those countries are around one third of the fees students from England are charged. Fees for students from England at UK universities are four times more than the

£2,536 average cost of a year's tuition charged in other developed countries. For example, in the Netherlands, it costs £1,752 for a year's study and around 60% of university courses are taught in English. In Denmark and Germany, it is free to study and over 700 courses are taught in English. French universities charge annual fees of £170. America is one of the four countries where it is more expensive with yearly costs at a public university averaging £19,968. New Zealand is the second most expensive with average annual fees of £14,335, Australia is third with average annual fees of £11,453 and then Canada with average annual fees of £10,376.

RESEARCH SHOWS THAT PARTY POLICIES ON TUITION FEES INFLUENCE THE VOTE IN GENERAL ELECTIONS

The results of a survey of 5,489 university students in England carried out by the research company 'Dig-In' has revealed that the policy of political parties with respect to tuition fee charges can affect the way the student population (and possibly their parents) will vote in a general election, with 61% of students saying that they would vote for the party that offered the lowest tuition fees. There are now around 2 million university students and FE students in England that are required to take out loans to pay for their fees and maintenance (plus the influence this may have on the voting intentions of their families) so this is significant in terms of the potential impact on future election outcomes. The research also showed that:

- 68% of students felt that their degree did not represent value for money.
- 81% feel that universities should be doing more to justify the high fees they charge. Students felt, for example, that universities should provide more class contact time (30% of students receive 8 or less hours of contact time per week).
- 60% are worried about leaving university with an estimated average debt of £52,878 in fees and maintenance loans.

A copy of the Dig-in research findings can be found at:

https://digin.typeform.com/report/QY1Rtp/ljkKsFIDaEp8FKdM

ONS TO RULE ON HOW STUDENT LOANS IN ENGLAND SHOULD APPEAR IN THE GOVERNMENT'S DEFICIT FIGURES

Under the current arrangements, money lent by the government to students to pay for their tuition fees, which is paid directly to universities and other higher education institutions by the Student Loans Company (SLC) and for maintenance, which is paid directly by the SLC to the student, is not counted as part of the public sector financial deficit. Much of the student debt is not expected to be repaid, but under current arrangements, unpaid debt will not be recorded as part of the government deficit for 30 years, after which period they are written off. The Office for Budget Responsibility (OBR) has suggested that for the 2017/18 cohort of students alone, only 39% of student debt will be repaid and 61% will be written off, at a cost of £28 billion. However, critical reports from influential committees in both Houses of Parliament have warned the current system provides 'no effective control over the increasing fiscal cost of the student loan regime' and that without any change, the level of student loan debt could rise to more than £1 trillion over the next 25 years. The reports also claim that that the present system is concealing the real cost of the student loan system and is creating the 'fiscal illusion' that government borrowing is lower than it actually is. As a result, the Office for National Statistics (ONS) has been asked to provide a ruling on how student loans should appear in the public finances. The ruling is expected to be published in December and could add around a further £120 billion (the current outstanding student loan debt) to the government deficit. This will challenge government claims that the deficit is falling and, in turn, will raise questions about the long-term financial viability of having no cap on the numbers of students universities can recruit and having no upper limit on the amount of loan funding available to pay them. Meanwhile, as the universities get richer, the government desperately continues to try to sell off the student loan book to private lenders (often at a significant discount). For its part, the DfE says that the report of the findings of the Review of Post-18 Funding and Education will not be made available until the ONS has published its ruling.

UNIVERSITY VICE CHANCELLORS CALL FOR 'ESSAY MILL' COMPANIES TO BE BANNED.

University leaders have called on Sam Gyimah, the Minister for Universities in England to make commercial essay writing companies illegal. These are companies that charge students fees for producing bespoke assignment essays which cannot easily be detected by anti-plagiarism software. The call follows the publication of research by the University of Swansea that suggests that as many as 15% of university students had used the services of these companies. In the UK it is currently not illegal to offer a commercial essay-writing service and many advertise widely near university campuses and on social media.

NEW CHIEF EXECUTIVE OF THE SLC APPOINTED

Following approval given by Sam Gyimah, the Universities Minister for England, Paula Sussex has been appointed as the new Chief Executive of the SLC. She takes from Peter Lauener who has held the post on an interim basis since November 2017. Ms Sussex was previously the Chief Executive of the Charity Commission for England and Wales, and stood down from this role last year at the end of her three-year contract.

GREATER LONDON AUTHORITY (GLA) EMPLOYS NEW ADULT EDUCATION BUDGET (AEB) MANAGERS

The GLA has now appointed 57 staff from a planned total of 72 who will manage the GLA's share of the AEB when it is devolved in 2019. The posts will cost around £3 million a year and will be funded with from cash top sliced from the GLA's AEB allocation. The 72 AEB officials will form six units. These will consist of a Strategy, Policy and Stakeholder Relationships Team, a Co-financing Organisation to handle the European Social Fund (ESF), a Funding Policy and Systems Team, two Programme Delivery Teams, and a Management Team. The GLA has warned that the 72 staff might not be enough to manage the GLA's AEB contracts and that the top slice from AEB might need to increase to around £9.3 million a year to enable more to be employed. The GLA has also said that it intends to introduce a 20% cap on the amount that prime AEB contractors can deduct from subcontractors. Many London colleges currently deduct much more than this from the amount they pay their subcontractors. The GLA's AEB plans are said to be being watched closely by the mayoral staff of the other combined authorities.

2018 GCSE RESULTS IN ENGLAND (16-YEAR-OLD PUPILS)

This summer was the second year that GCSEs graded 9 to 1 have been awarded in England. The new grades were applied to 20 subjects in addition to the 3 that were awarded for the first time in 2017. Together, these amount to around 90% of all GCSE entries. By 2020 all GCSEs taken in England will be graded 9 to 1. Equivalence to the previous letter graded system is as follows:

- Grade A* is replaced by grades 9 (the highest grade awarded) and grade 8
- Grade A is replaced by grade 7
- Grade B is replaced by grade 6
- Grade C is replaced by grade 5 (a 'high' pass) and grade 4 (a 'standard' pass)
- The four grades D, E, F and G are replaced by three grades 3, 2 and 1
- U remains the 'unclassified' grade in both the old and new grading systems

Ofqual says that 'Overall GCSE outcomes have remained stable in recent years and this trend continues in 2018' and that 'Overall results for 16-year-olds in English language and mathematics are stable at Grade 4'. A full analysis of overall 2018 GCSE results for 16-year-olds in England are presented in an Ofqual 'infographic', which can be accessed at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/735678/GCSE_Infographic_23.8.18.pdf

There are no pictures of joyful GCSE students leaping this year. This is because for reasons known only to themselves, someone took the time and trouble to refer the pictures of last year's leapers (which were freely accessible on Google images) to a copyright agency.

2018 GCSE resit results in England (students aged 17 and 18)

Students aged 17 and 18 in full-time education in England must retake GCSE English and mathematics until they get at least a grade 4 (standard pass) in those subjects. This is a condition of funding for colleges. In 2018, around 161,000 students aged 17 or over resat GCSE mathematics and around 149,000 resat English. Of these, only 22.7% achieved a grade 4 in mathematics (down 14.3% on the previous year) and 33.1% a grade 4 in English (down 2.4% on the previous year) and the DfE has once again been called upon to change its GCSE resits policy. More comprehensive 2018 GCSE data, including data by age, gender and subject has been produced by the Joint Council for Qualifications (JCQ), the umbrella organisation for awarding bodies. The data can be accessed at:

https://www.jcq.org.uk/examination-results/gcses/2018/main-results-tables/gcse-full-course-results-summer-2018

OECD PUBLISHES ITS ANNUAL 'EDUCATION AT A GLANCE' REPORT

Most education news these day makes for grim reading but the Organisation for Economic Co-operation and Development's (OECD) latest annual '*Education at Glance'* report which analyses education systems in 36 leading countries, suggests reasons to be cheerful. For example, the report says that UK schools 'get more funding per pupil than France, Germany or Japan' and that the United Kingdom is now 'amongst the top three countries for education spending as a proportion of gross domestic product (GDP)'. The report also says that:

- Teachers with 15 years' experience not only earn more than the OECD average, but also more than their counterparts in European education systems, such as France, Italy and Sweden.
- The UK offers some of the most generous financial support for students and a record proportion of disadvantaged 18-year-olds accepted a place at university earlier this year.
- The UK has one of the highest enrolment rates of adults aged over 40 in education, and an above average percentage of students over 20 in vocational programmes.
- The UK has almost universal enrolment in early education at ages 3 and 4. This builds on more than 1.3 million children in England benefiting from some form of government funded early education, with more than 340,000 benefitting from 30 hours free childcare offer, and 93% of childcare settings rated good or better.
- Two thirds of decisions are taken at school level in the UK meaning that, unlike the majority of other countries, schools have flexibility over timetables, as well as personnel and resource management.
- The percentage of young adults not in education, employment or training continues to fall. It is currently at the lowest level ever among 16-18-year-olds.

Commenting on the report, Dr Mary Bousted, Joint General Secretary of the National Education Union, added her own perspective and said that in the UK, 'Teachers have to work more days on average, their comparative pay is declining and their starting pay (in secondary schools at least) is well below the average'. She went on to say 'We have the youngest and least experienced teaching workforce, mainly because the proportion of older teachers over 50 has fallen the most. At the same time, children in the UK start school earlier, have shorter school holidays throughout their schooldays, are taught in larger classes, and then face among the highest university tuition fees in Europe'. A copy of the OECD report can be found at:

http://www.oecd.org/education/education-at-a-glance/

AND FINALLY…

We hope you enjoyed your summer holidays. There will always be some people who didn't and for those of you who have travel and tourism students, below is a compilation of a few of the more unusual complaints that travel companies have received from disgruntled customers:

- 'On my holiday to Goa in India, I was disgusted to find that almost every restaurant served curry. I don't like curry'.

- 'They should not allow topless sunbathing on the beach. It was very distracting for my husband who just wanted to relax'.
- 'We went on holiday to Spain, but we had a problem with the taxi drivers as they were all Spanish'.
- 'We booked an excursion to a water park but no-one told us we had to bring our own swimsuits and towels. We assumed it would be included in the price'.
- 'The beach was too sandy. We had to clean everything when we returned to our room'.
- 'We found the sand was not like the sand in the brochure. Your brochure shows the sand as white but it was more yellow'.
- 'It's lazy of the local shopkeepers in Puerto Vallartato to close in the afternoons. I often needed to buy things during so-called 'siesta' time. This should be banned'.
- 'No-one told us there would be fish in the water. The children were scared'.
- 'Although the brochure said that there was a fully equipped kitchen, there was no egg-slicer'.
- 'I think it should be explained in the brochure that the local convenience store does not sell proper biscuits like custard creams or gingernuts'.
- 'The roads were so uneven and bumpy that we could not read the local guide book during the bus ride to the resort. Because of this, we were unaware of many things that would have made our holiday more enjoyable'.
- 'It took us nine hours to fly home from Jamaica to England. It took the Americans only three hours to get home. This seems unfair'.
- 'I compared the size of our one-bedroom suite to our friends' three-bedroom suite and ours was significantly smaller'.
- 'The brochure stated: *No hairdressers at the resort*. We're trainee hairdressers and we think they knew this and they made us wait longer for service'.
- 'When we were in Spain, there were too many Spanish people there. The receptionist spoke Spanish, the food was Spanish. No one told us that there would be so many foreigners there'.
- 'We had to line up outside to catch the boat and there was no air-conditioning'.
- 'It is your duty as a tour operator to advise us of noisy or unruly guests before we travel'.
- 'I was bitten by a mosquito. The brochure did not mention mosquitos.'

Alan Birks – September 2018