

CLICK NEWSLETTER NUMBER 1



Dear all

As you may recall from Kate's email in April, the general idea is that I'll produce a newsletter for **Click** Associates regularly, probably around once a month. From personal experience, I'm well aware that working as an interim manager can be a lonely business, so the broad aim is to let you all know how things are going with the company generally, whilst at the same time providing you with a summary of some of the wider things happening in the wider further education sector.

I'm not all that IT literate myself, but I know someone who is, so, in the not too distant future, I'm hoping to set up what I think those who know about these things call a 'blog' (or bulletin board?). The aim of the blog is to help **Click** Associates keep in touch with each other and perhaps to post items on the blog site which might perhaps be of interest to other **Click** Associates. More details on this soon.

The future

As we approach the new academic year, the FE sector enters a period of uncertainty. Colleges have been faced with swinging cuts to their adult responsive budgets, and 'Train to Gain', which made up a significant element of college employer responsive budgets, is either dead or dying.

However, most colleges have already taken the painful steps needed to make the necessary adjustments to their budget profiles next academic year, and as one area contracts, colleges have been presented with alternative opportunities for expansion. This is particularly the case in respect of the potential for expanding the number of apprenticeships offered by colleges.

Although there are undoubtedly hard times ahead, from the policy speeches made by those Coalition Ministers involved with Further Education and Skills, it would seem reasonable to believe that the sector may be spared the draconian level of cuts currently being faced in other areas of the public sector.

The FE sector is nevertheless entering a period of considerable uncertainty. But this may not necessarily be detrimental to the demand from colleges for interim management services. In fact, the opposite may well apply, as principals put off filling permanent management vacancies, until the broader position relating to the sector becomes clearer.

Time will tell, but at this stage I personally remain optimistic about the level of demand for college interim management in the new academic year. In any event, you can be assured that the *Click* team will remain very proactive within the sector as we continue to build on our already strong network of personal contacts amongst college principals and senior managers.

I'm hoping that I perhaps I can be a little less serious in future editions of this newsletter, but in the meantime, given below are some of the recent external developments affecting the FE sector.

John Hayes announces new freedoms for colleges.

In his recent speech at City and Islington College, John Hayes, the new Minister for Further Education, Skills and Lifelong Learning, has said that 'the highly centralised and bureaucratic system developed over the course of the last government has failed' and made reference to the fact that the OECD has ranked the UK from 18th down to 21st in terms of the proportion of the population possessing 'intermediate' skills.

He said that under the previous government, funds for teaching and training had been diverted to central planning, target setting and 'bean counting, hoop jumping and form filling'. He also strongly disagreed with the view that ministers and civil servants knew better than local colleges what local businesses and learners needed

He therefore wants to see:

- A less rigid divide between FE and HE (with more HE being delivered in FE)
- A refocusing on awards employers understood, such as BTEC Higher National awards as an alternative to Foundation Degrees and an increased recognition of the value of awards such as BTEC First and National and CGLI awards.
- The abandonment of the proposed 'academic strand' of the new Diplomas and the elimination of 'premium funding' currently enjoyed by those providers offering diplomas and instead, the Diplomas 'finding their own in the qualifications market through the level of demand'.
- Colleges wishing to continue to offering Diplomas no longer being forced to collaborate with schools in developing them.
- The removal of the regulatory requirement for College Principals to take the Principals' Qualifying Programme
- Colleges freed up to determine their own strategic development needs
- The removal of the need for Ofsted inspections for colleges which maintain outstanding performance
- The freedom for all but the most poorly performing colleges, to move funds between adult learner and employer budgets.

He is quoted as saying 'we came into government with a promise to set colleges free'.

FE funding letter from Vince Cable, Secretary of State for Business, Innovation and Skills to Geoff Russell, Chief Executive Skills Funding Agency

Each year, the Secretary of State with overall responsibility for FE writes a letter to the funding agency with responsibility for disbursing funds to FE colleges. This is generally referred to as the 'grant letter'. The letter contains detail of the amount of grant given by the government to the funding agency for that particular year and gives an indication of what the government expects in return.

The funding allocation process will inevitably be somewhat complicated this year because, since April, there are as many as four separate funding and commissioning bodies and no one appears to be entirely clear about how the new system is expected to work. However it does seem that the SFA has oversight of funding allocations to FE colleges.

The main priorities set out in the 2010/11 grant letter are as follows:

- To develop technician level skills, particularly through level 3 apprenticeships
- To prioritise qualifications that are understood by employers
- To reduce the number of 18-24 year olds not in employment, education and training
- To provide high quality training for the unemployed to help them get the skills needed to get back to work
- Provide independent careers advice
- Develop Lifelong Learning Accounts
- Encourage an increase in adult and community learning.
- Contribute to a new growth and development fund to 'implement sector based joint investment proposals to support developing the skills needed in high growth and dynamic areas of the economy'.
- Transferring what was previously Train to Gain funding into extra apprenticeships and a £50 million capital investment fund for FE colleges

And,

- '....ensuring that colleges and training organisations have greater freedom to innovate and excel'

Vetting and barring to be reviewed

Home Secretary Theresa May has announced a review and potential remodelling of the criminal records and vetting and barring regimes, 'to bring them back to common sense levels'.

Review committee suggests that funding for adult courses should only be provided if matched by contributions from individuals and/or employers.

A review led by the former chair of the Learning and Skills Council, Chris Banks, has suggested that, other than for special entitlements (such as a first level 2

qualification), courses for adults should only be publicly funded if the course costs are matched in cash by private contributions.

At the moment, it seems that assumptions on the level of income from private fees is built into college budgets are failing to come to fruition, and by a considerable margin.

The review proposals appear to be in direct contrast to the previous position, where considerable amounts of FE funding was transferred into Train to Gain programmes, which were then promoted to employers as being free.

UCAS review of tariff used for HE entry

The Universities and Colleges Admissions Service (UCAS) is in the process of setting up a body to review the system used to generate the tariff. UCAS feels that that a new system, which takes more account of the value of vocational qualifications, may be needed.

The review body is yet to be appointed, but is expected to include representatives of FE, HE, schools, awarding bodies and government departments.

Future of modular A levels

Education Secretary, Michael Gove, in a recent interview for a Sunday newspaper, has said that he wants to see unit based and modular A levels scrapped in favour of 'fewer modules and more exams at the end of 2 years of sixth form'.

The radical proposal comes after universities complained that the current A level arrangements did not sufficiently prepare students for their studies at universities.

FE final pay offer

The Association of Colleges (AoC) has tabled its final recommendation offer for 2010/11. The offer is a 0.2% consolidated increase or £50, whichever is the greater. Teaching and support staff unions are likely to reject the offer.

FE colleges called on to embed technology into their teaching

Lifelong Learning UK, the Sector Skills Council for FE, is calling on FE providers to do more to embed technology into teaching, as new figure reveal that almost half of employees would have felt more confident about the use of technology in their jobs, had technology been incorporated into their earlier education and training. The survey results also show that the same proportion of employees believed that they would waste less time at work if they had better prior knowledge of technology.

Alan Birks

July 2010