

Click Newsletter



Issue 9, April 2011

50,000 new apprenticeships to be created

The Chancellor of the Exchequer, George Osborne, has announced that the government is to spend an additional £180 million to create an extra 50,000 apprenticeships. There will be 40,000 extra apprenticeships up to level 3 for young unemployed people and 10,000 extra higher apprenticeships at level 4 and above. This increase is in addition to the extra 75,000 apprenticeships created last year and takes the total number of apprenticeships to an all time high of over 430,000. While this is undoubtedly good news, it needs to be set against the context of a record level of youth unemployment, which currently stands in excess of one million. Concern has also been expressed at whether a sufficient number of employers can be found who are both willing to create the required number of training places and who can afford to meet their contribution to the training costs involved.

Young Apprenticeship Programme to end

Meanwhile, the government has announced that the Young Apprenticeship Programme for 14-16 year olds is to be scrapped. The decision to end the programme comes in the wake of the publication of the Wolf Review of Vocational Qualifications which criticised the efficiency of the scheme. Around 1,000 young people who have signed up to commence a young apprenticeship programme this September will now no longer be able to do so.

More University Technical Colleges (UTCs) announced

The Chancellor has also announced that a further £125 million is to be made available to double the number of new UTCs, from the planned 12 to 24. UTCs are the brainchild of Lords Young and Baker, with the idea originating with the Junior Technical Colleges of the 1960's. The original 'Junior Techs' were intended to cater for 'brighter' children who had failed to get into the local grammar school. As the name suggests, the curriculum focussed on technical and vocational education including subjects such as engineering, construction, motor vehicle repair, catering, hairdressing and business and secretarial studies. Children who opted for these subjects and passed the entrance test were transferred from their secondary modern school to the 'Junior Tech' at the age of around 13. In those days youngsters at secondary modern schools left full time education in the academic year in which they turned 15. If they actually bothered to turn up to take the exam, the most they could hope to leave school with was a school leaving certificate. However, at the Junior Tech, youngsters stayed on for an extra year and took formal qualifications, such as City and Guilds, Royal Society of Arts and even GCE 'O' levels. Many went on to a full indentured apprenticeship of 5 years or even more. The Junior Techs were linked to (and were often an integral part of) local technical colleges, which themselves were the forerunner of today's further education colleges.

Today's UTCs will be new 11-18 schools, with the *university* bit in the title there to give UTCs more status. Although UTCs will be linked to local universities, the current UTC pilots have had a greater level of involvement with local FE colleges.

Proposals for replacing Education Maintenance Allowances (EMAs) in England

The government has proposed that from September 2011 a new £180 million 16-19 Bursary Fund will be introduced to replace the previous £560 million EMA scheme in England. EMAs are being retained in Scotland, Wales and Northern Ireland.

The new Bursary Fund is intended to 'help the most vulnerable 16-19 year olds continue in full time education'. The scheme is made up of two parts. Around £25 million is earmarked 'to provide

guaranteed bursaries to the most vulnerable students' and there is an expectation that bursaries of at least £1,200 per year will be awarded to young people falling into the following categories:

- 16 and 17 year olds in care
- Those aged 16, 17 and 18 who have left care
- 16, 17 and 18 year olds who are in receipt of income support (including those young people living independently, those whose parents have died, those with severe disabilities and teenage parents).

The remainder of the fund (around £165 million) will be distributed to schools, colleges and work based training providers to help provide financial support to other young people aged 16-19 participating in full time education and training (e.g. to help with the cost of meals, transport and other course related expenditure). The allocation of funds to students will be a matter for individual providers to decide, although this has been criticised by the Association of Teachers and Lecturers (ATL) who fear that students in similar financial circumstances will receive different amounts depending on which school, college or work based training organisation they attend.

There will also be transitional arrangements to help those who are currently receiving EMAs and who are part way through their studies. These arrangements consist of two parts:

- Those students who successfully applied for an EMA in 2009/10 will continue to receive payments at the same level until the end of the 2011/12 academic year.
- Those students in their first year of post 16 study in 2010/11 and who are in receipt of the maximum weekly EMA payment of £30 will be eligible for £20 for each week they are in education or training until the end of the 2011/12 academic year.

The government is consulting on these proposals with the closing date for responses set for 12 May 2011.

Young Peoples' Learning Agency (YPLA) 16-18 funding allocations

Colleges have now received their 16-18 funding allocation letters from the YPLA. Individual college allocations broadly mirror the main elements of the grant letter sent by the Schools Minister, Michael Gove to the YPLA chair, Les Walton. The grant letter shows that there has been a reduction of £67 million in the money allocated to colleges for 2011/12 compared to 2010/11. The justification given for this reduction is an expectation that there will be around 51,000 fewer students in 2011/12. This in turn is based on the fact that the level of 16-18 enrolment in 2010/11 was below the level forecast by the DfE the previous year. The grant letter also makes concessions in respect of the removal of plans to make further cuts to allocations for colleges with the highest funding per student and to take into account the students recruited in January 2011 when arriving at student number funding for 2011/12.

Skills Funding Agency (SFA) 19+ allocations

Colleges have now received notification of their final 2011/12 allocations from the SFA. The SFA has increased the total budget allocation for 2011/12 by around £80 million. This means that, on average, cuts to college budgets will be around 3% less than the amounts indicated in the provisional allocations to colleges circulated in December 2010 and January 2011.

Financial pressure on colleges set to increase

In a recent speech made at a conference for FE college governors, Geoff Russell the SFA Chief Executive made reference to the extra freedom colleges were to be given, but also to the extra accountability expected of them. He also referred to the increasing financial pressure colleges would be under. Main elements of Mr Russell's speech included the following:

- The government will continue to make decisions about the types of learning requiring public subsidy and the degree of subsidy that can be afforded. College governors and managers will need to choose from the 'menu of subsidised learning' that they want the college to deliver and 'which customers they wished to serve'.
- The funding system will 'inextricably incentivise delivery of achievement and employment outcomes'.

- The SFA estimates that the number of colleges in outstanding financial health will drop by 50% and the number in financial trouble will increase by 100%
- Institutions in financial trouble 'will encourage an SFA led rapid change of management and/or governance- and possibly business model- or else the SFA will withdraw funding'
- Governing body strategies for the next four years should include 'collaborating with other colleges to reduce costs, improve revenues and enhance quality for learners'.
- The SFA will continue to 'monitor and support- but not direct- colleges' quality of delivery, financial health and efficiency, in order to ensure that the government's stewardship duties are fulfilled'.

Higher Education in Further Education

Speaking at the recent AoC Higher Education Conference, David Willetts the Minister for Universities and Science, gave strong support for the development of HE in FE and referred to a White Paper on the subject scheduled to be published later this year. He said that he wanted to see a 'dynamic, responsive higher education system with fewer barriers for those institutions wanting to offer HE courses'. He went on to condemn what he referred to as 'universities' restrictive practices'. He also said that he was considering allowing colleges to re-brand themselves as 'Institutes of Further and Higher Education'. Mr Willetts also provided some interesting statistics in relation to HE in FE, as follows:

- 60 FE colleges deliver over half of all HE in FE
- 123 colleges receive funding directly from HEFCE
- 170 colleges deliver HE provision franchised to them by local universities

Proposed Education Bill amendment will give FE lecturers the same anonymity as school teachers.

Proposals in the Education Bill currently passing through Parliament, will give school teachers anonymity in the event of being falsely accused of misdemeanours by their pupils. This means that, amongst other things, newspapers will be banned from naming teachers until they have been formally charged with an offence by the police.

After a concerted campaign by college unions, the Education Select Committee Chairman, Graham Stuart, has now tabled an amendment to the Education Bill which would extend this right of anonymity to college lecturers. Government officials involved in the passage of the bill have confirmed that they can 'see no reason why the protection of anonymity being afforded to school teachers should not be extended to colleges'. Whilst welcoming the proposed amendment, many in the FE sector have expressed their frustration that college staff were not included in the first draft of the bill.

Education Bill to give lecturers 'stop and search' powers in colleges

The proposed amendment above will no doubt assume particular relevance when taken in the context of other proposals in the Education Bill which will give lecturers powers to stop and search their students for weapons and 'electronic devices which could be misused'. Lecturers will have the legal right to conduct a search 'if they believe a learner is in possession of an item that the member of staff reasonably suspects could be used to commit a criminal offence, cause personal injury or damage property'. College staff will also be given the right to delete electronic files (e.g. on mobile phones and personal laptops) 'if they think there is a good reason to do so' (e.g. they are being used to conduct 'cyber bullying'). In addition, lecturers will even be given the right to search members of the opposite sex if no other member of staff is available and it is not 'reasonably practicable' to wait for an appropriate colleague to arrive.

The Association of Colleges (AoC) has welcomed the proposed new powers for college staff, however the National Union of Students (NUS) has strongly criticised the proposals saying that, if implemented, the relationship between lecturers and their students 'would be fundamentally altered'. Those college staff asked for an opinion appear to have differing views, with some staff welcoming the proposals and others being firmly against them. Meanwhile, the human rights group

'Liberty' has condemned the proposals outright and has described them as being 'similar to those being used to deal with terrorists'.

Workers' Educational Association (WEA) waives requirement for Learning (IfL) membership

There is growing resentment by staff in the FE sector at the perceived anomaly arising from the fact that the schools based General Teaching Council (GTC) has been abolished, whilst the FE equivalent organisation, the IfL has been retained. This resentment has been exacerbated by the recent IfL decision to more than double the annual cost of membership (which is a statutory requirement for FE lecturers). A recent survey conducted by the University and Colleges' Union (UCU) has also indicated that lecturers feel that they get very little from their membership of IfL, which in turn has resulted in union proposals to boycott membership.

The WEA has now stolen a march on the unions by becoming the first FE sector institution to inform its staff that it will no longer ask for evidence of IfL membership. The justification given by the WEA for this decision is that it employs a high proportion of part time staff, who will be hit particularly hard by the increased IfL membership fees.

When asked to comment on the implications of this decision, a spokesman for the SFA said that 'the Agency is not responsible for ensuring that lecturers are registered with the IfL'. A spokesman for Ofsted has added that 'while it (Ofsted) assessed the skills and expertise of staff, it was not required to monitor whether providers made sure that their teachers were registered with the IfL'. However, the AoC's position on all this is that 'an independent professional body is valuable in raising the status of further education teachers'. The AoC also advises that while colleges should 'comply with the existing law, they have no obligation to pay professional fees for their staff'.

In the meantime, there is confusion as to who exactly is legally required to be registered with IfL. Support staff who voluntarily joined IfL when membership was funded by the government (e.g. NVQ assessors and those involved in providing initial assessment, mentoring and additional learning support) are also being sent renewal notices along with a request to pay the increased membership fees. As a result Unison, the main support staff union, has now become involved and has lodged a protest with the IfL in respect of the lack of clarity as to which staff are legally required to register. The union has also complained that the financial burden of IfL membership is heavier for lower paid learner support staff than it is for more highly paid teaching staff.

IfL has responded by announcing that part time and other lower paid college staff who earn below the new personal tax threshold of £7,475 set in the recent budget, will now be eligible to pay a concessionary IfL membership fee of £45, 'even if they have already paid the full fee'. Although this is clearly intended to help the lower paid, if a member of staff is earning enough to pay tax at 20%, tax relief reduces the £68 fee to £54.40. If a member of staff is earning enough to be paying tax at 40%, tax relief reduces the fee to £40.80. Curiously, this means the IfL membership fee for these higher paid staff will be up to £4.20 less than the concessionary fee for the lower paid.

University and College Union (UCU) strike over pay and pensions

Further education members of UCU have held a one day strike to protest at a 'derisory' pay increase offer for 2010/11 and the erosion of pension benefits. The strike, which in a recent ballot was supported by 64% of the UCU membership, took place on Thursday 24 March and followed a similar day of action on 22 March by UCU higher education members.

In justifying the disruption arising from the strike action, union officials referred to fact that the retail price index (RPI) is currently standing at 5.1% and real pay is falling dramatically. They also said that the pay offer of the greater of £50, or 0.2% of salary, was the 'lowest ever made' and was far below the 2.3% offer made to school teachers and FE lecturers in Wales. In addition, reference was made to the continuing job losses in FE colleges and the proposals to change lecturer pension entitlements, all of which were having a 'disastrous impact' on the FE sector and the morale of the staff working within it.

Reform of the student immigration system: Recent letter to colleges from the UK Border Agency

A recent Home Affairs Select Committee report showed that in the year to June 2010, over 362,000 foreign students were admitted to the UK via a study visa. This was an increase of 35% on the previous year. The report also indicated that round 20% of those entering the UK with student visas were found to be still in the country five or more years later. The report went on to say that in addition to universities and publicly funded FE colleges, there were over 2000 private colleges in the UK which 'consistently recruit overseas students'. This has led to concerns that student visas are frequently being exploited as an 'easy migration route'.

In response to this, on 22 March the UK Border Agency circulated a letter to providers outlining the key changes to what they referred to as the 'current student immigration system'.

The letter starts off by saying that the Agency wants to see the UK 'retain its world wide reputation as a provider of quality education to overseas students', and goes on to say that it recognises that the UK is the 'destination of choice for many wishing to study abroad'. However, the letter goes on to say that the agency wants to see only 'genuine students' studying at 'genuine institutions'. The letter also states that applicants for places on courses should only be those who 'wanted to study for qualifications which would help them in their own countries' and not those who use the application process as 'an alternative route to live and work in the UK '.

The Border Agency therefore intends to implement the following arrangements with effect from April 2012:

- **Accreditation:** All current and prospective sponsors (i.e. those offering courses to overseas students) must be vetted by statutory education inspection bodies (e.g. Ofsted and QAA) and become 'Highly Trusted Sponsors'. All current sponsors will have 12 months to meet these requirements.
- **Proficiency in English:** All students entering the UK to study at university level will have to be able to speak English at B2 (upper intermediary) level. Those coming to study at below degree level will need to be able to speak English at B1 (intermediary) level. UK Border Agency staff will be empowered to refuse entry to those who cannot speak English without the aid of an interpreter and therefore 'patently do not meet the minimum standards of English required'.
- **Finance:** Students will need to be able to demonstrate that they have financial independence. Some may be required to lodge a substantial financial 'bond'.
- **Right to work:** Students at universities and publicly funded further education colleges will retain their current work rights (currently 10 hours per week during term time for FE students and 20 hours per week for university students). All other students will have no right to work. Restrictions will be placed on work placements and the maximum proportion of a course which can be spent on work experience will be reduced from half to one third.
- **Post graduate studies:** Overseas students will only be allowed to study on post graduate courses which are longer than six months in duration.
- **Dependents:** Only students on courses which are government sponsored and of a duration of more than 6 months will be permitted to bring their dependents with them to the UK.
- **At the end of a course:** Study visas will be limited to a maximum time period of 5 years for higher level courses and 3 years for lower level courses. The 'post study work route' which enabled graduates to stay on in the UK for variable periods after graduation will cease in April 2012. New arrangements will be established to enable 'the very best international graduates to stay on and contribute to the UK economy'.

Meanwhile, the numbers of jobs made available to migrant workers via the government's 'Shortage Job List' is to be more than halved from 500,000 down to 230,000. The government is also removing 71 professions from the list of 192 jobs available under the 'Skilled Job Route' element of the immigration points system.

FE statistics 2009/10

FE statistics for 2009/10 have recently been released. Key figures include the following:

- 4,635,500 learners participated in some form of publicly funded FE. This represents a contraction of 4.2% on the previous year, with the main reduction in learners being on courses at below level 2 and full level 2.
- 3,377,400 learners achieved a qualification as a result of studying on a publicly funded course. This is an increase of 0.5% on the previous year
- Of the total number of learners on FE programmes in 2009/10:
 - 54.9% were female
 - 12.1% declared a learning difficulty or disability
 - 17.5% were from a black or ethnic minority (BME) background.
 - 76.4% were aged 19 or older

Study shows that investment in FE boosts the economy

The Department for Business, Innovation and Skills (BIS) has published the results of a study which estimates that those who took a programme of study in FE in 2008/9 will generate an additional £75 billion for the economy over their working lives. The same study also asserts that the return on government investment in apprenticeships is such that £40 is generated for each £1 of government funding.

'Start-Up Britain'

As part of the government's call for an 'enterprise led recovery', David Cameron has launched his new 'Start-Up Britain' initiative, part of which will impact on schools, colleges and universities. Key elements include the following:

- The formation of 'Enterprise Societies in all universities and most FE colleges' will be encouraged. Enterprise Societies are expected to help provide students with a forum to help develop their business and enterprise skills.
- Support will be provided for every school to develop an 'Enterprise Champions Programme'. Teachers will be provided with on line resources and tools to provide help for the formation of school based businesses.
- There will be a roll out of a 'Tenner Tycoon' programme with the aid of Dragon's Den entrepreneur, Peter Jones. The programme will challenge over 250,000 young people to make as much profit as possible from enterprises they will start with a £10 loan. (I'm assuming here that the enterprise activity engaged in has to be legal!)

New Chief Executive for the National Institute of Adult Continuing Education (NIACE)

David Hughes, the current National Provider Services Director at the Skills Funding Agency and former Regional Director of the London LSC, has been appointed as the new Chief Executive of NIACE. Mr Hughes takes up his new post this summer and replaces Professor Alan Tuckett who has been Chief Executive of NIACE since 1988.