

## SECTOR DEVELOPMENTS...

As this is the first edition of the newsletter in 2018, all of us here at Click would like to wish you and yours a belated happy, peaceful and prosperous New Year.

### THE CABINET RE-SHUFFLE AND EDUCATION

Earlier this month (January), the Prime Minister, Theresa May re-shuffled her cabinet. The main changes affecting the Department for Education (DfE) in England are as follows:

- *Justine Greening*, the Education Secretary for England, resigned from her post after refusing to accept a transfer to the Department for Work and Pensions (DWP). She had been in post since July 2016, when she replaced Nicky Morgan in Ms May's first Cabinet reshuffle. Prior to this, Ms Greening was Secretary of State for International Development. The main reasons for removing her from her brief at the DfE are thought to have been her alleged opposition to reform of the current HE fee and loan system in England and her opposition to the introduction of more grammar schools (Ms Greening is the only Education Secretary to have attended a comprehensive school).
- *Damian Hinds* was appointed as her replacement at the DfE. Mr Hinds was previously Minister for Employment at the DWP, serving in this role since July 2016. During his period of office at the DWP, Mr Hinds helped to introduce the 'Youth Obligation Programme', an experience which may (or may not) be useful to him at the DfE. The programme is aimed at young people aged between 18 and 21 who are unemployed and claiming benefits who are required to undergo job-support training, including work experience, help with job applications and interviews, and help with improving their numeracy, English and information technology skills. Those still unemployed after six months on the programme are required to take further compulsory vocational training and work experience or take up a traineeship.
- *Anne Milton* retained her post as the Minister for Apprenticeships and Skills in England. Ms Milton was appointed to the post in June 2016, replacing Robert Halfon, who had served for less than a year in the job. Before entering politics, Ms Milton was a nurse in the NHS, and many had expected her to replace Jeremy Hunt as Health Secretary for England.
- *Sam Gyimah* was appointed Universities Minister for England, replacing *Jo Johnson* who was moved to a junior ministerial post at the Department for Transport (DoT). Mr Gyimah was previously Under-Secretary of State for Prisons, Probation, Rehabilitation and Sentencing.
- *Nadhim Zahawi* was appointed Minister for Children and Families.

### CONSULTATION ON THE IMPLEMENTATION OF THE NEW FE INSOLVENCY REGIME

The Technical and Further Education Act 2017 sets out the framework for the introduction of an insolvency regime for the FE sector in England. The act says that a Special Administration Regime (SAR) specific to colleges will be initiated 'when a college becomes insolvent' and 'action is needed to protect learner provision'. The new regime is expected to be in place 'by late 2018'. Earlier this month the DfE launched a consultation on how the new FE insolvency arrangements should be implemented. In the foreword to the document, Skills and Apprenticeships Minister for England, Anne Milton said that she expects that 'scenarios requiring insolvency arrangements will be rare', and they will only be applied when there is 'no alternative viable solution'. The document also seeks views on how colleges can be helped to avoid insolvency by improvements in monitoring that will help to identify symptoms of financial distress earlier. These symptoms apparently do not include chronic underfunding, leading some observers to comment that the government, having created the conditions which place colleges at a greater risk of insolvency, is now creating the framework under which they can be made bankrupt. More details can be found at:

[https://consult.education.gov.uk/fe-college-quality-and-resilience-team/fe-insolvency-regime/supporting\\_documents/Insolvency%20regime%20for%20further%20education%20and%20sixthform%20colleges%20%20consult....pdf](https://consult.education.gov.uk/fe-college-quality-and-resilience-team/fe-insolvency-regime/supporting_documents/Insolvency%20regime%20for%20further%20education%20and%20sixthform%20colleges%20%20consult....pdf) and

<https://consult.education.gov.uk/fe-college-quality-and-resilience-team/fe-insolvency-regime/>

## DFE CONFIRMS THAT THERE WILL BE NO INCREASE IN 16-18 FUNDING IN 2018/19

In a letter sent to providers earlier this month, the DfE confirmed that there will be no increase in 16-18 funding in 2018/19, and that funding will remain at £4,000 per full-time student aged 16 and 17 and £3,300 for full-time 18-year-olds. This is the sixth year that the 16-18 funding rate has remained unchanged. An extra £83 million was announced in the Autumn Budget Statement to provide an extra £600 for every additional student that opting to continue to study Level 3 mathematics after their GCSEs. However, it now seems that this cash will be spread over a five-year period, which a spokesperson for the Sixth Form Colleges Association (SFCA) described as 'disingenuous'. A copy of the DfE letter can be accessed at:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/672639/Education\\_and\\_Skills\\_Funding\\_Agency\\_16\\_to\\_19\\_funding\\_letter\\_2018\\_to\\_2019.doc.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/672639/Education_and_Skills_Funding_Agency_16_to_19_funding_letter_2018_to_2019.doc.pdf)

## FE COMMISSIONER APPOINTS A NEW 'PRINCIPALS REFERENCE GROUP'

The FE Commissioner, Richard Atkins, has appointed seven 'high performing' principals to form a 'Principals' Reference Group'. It is intended that ministers and senior DfE officials will use the group as a point of reference for advice on government FE and skills policy. Membership of the group is as follows:

- Gill Alton, Grimsby Institute
- Judith Doyle CBE, Gateshead College
- Sheila Legrave, Chichester College Group
- Paul Phillips CBE, Weston College
- Jatinder Sharma OBE, Walsall College
- Mandie Stravino, Derby College
- Graham Razey, East Kent Colleges Group

More information on the principals' reference group and its work is available at:

<https://www.gov.uk/government/groups/further-education-principals-reference-group>

## DFE INVITES 'EXPRESSIONS OF INTEREST' IN DELIVERING FIRST THREE T-LEVELS IN 2020/21

The DfE has invited expressions of interest from post-16 institutions interested in delivering the first three T Levels in the 2020/21 academic year. Providers wishing to do so will need to submit an application form to the Education and Skills Funding Agency (ESFA) by 28 February and be able to demonstrate that they are:

- Currently delivering relevant vocational qualifications to a minimum of 10 qualifying students.
- Judged by Ofsted to be 'good' or 'outstanding'. (The guidance says that providers who hold a rating of 'outstanding' will be 'given priority during the selection process').
- Achieving an average attainment grade of 'Merit' or above in respect of any relevant current technical or vocational qualifications they currently deliver.
- Judged to be in at least 'satisfactory' financial health.

More information is available at:

<https://www.gov.uk/guidance/invitation-to-express-an-interest-to-deliver-t-levels-in-2020-to-2021-academic-year>

## ROLE OF OFQUAL IN REGULATING T-LEVELS REMAINS UNCLEAR

The T-Level action plan published last October says that the 'overall regulatory and assurance system for T-Level qualifications will be different from that for GCE A levels, GCSEs and other existing vocational qualifications' and that it will be 'Standards set by employers' that will provide 'the benchmark for approval of qualifications and grade awarding'. The only mention Ofqual gets in the document is in respect of a 'consultative role' as part of the 'T-level Stakeholder Advisory Group'. The new Chief Executive of Ofqual, Sally Collier, told members of the House of Commons Education Select Committee that she 'felt strongly that T-Levels should be regulated by Ofqual'. However, when the DfE was asked about this, a spokesperson appeared to dodge the question, saying that the 'department was working to develop a coherent, robust assurance system that makes effective use of the available quality assurance levers and

powers across the technical education system'. More information can be found at:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/650969/T\\_level\\_Action\\_Plan.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/650969/T_level_Action_Plan.pdf) and

<https://www.gov.uk/government/consultations/implementation-of-t-level-programmes>

### DELAY IN THE TRANSITION FROM IFA TO IFATE

The DfE's intention is that the Institute for Apprenticeships (IfA) will eventually take over responsibility for all sub-degree technical and professional education (TPE) qualifications in England (including the new T-Levels), at which point the IfA will become the 'Institute for Apprenticeships and Technical Education' (IfATE). However, at its November meeting, the IfA Board agreed that because of the DfE's decision to delay the delivery of the first T-Levels until September 2020, the IfA will now not assume full TPE role until late 2018, and that the IfA's name change will be put back to that date.

### CHANGES AT THE IFA

It was also announced that three additional members will be appointed to the IfA Board to 'bolster TPE expertise at Board level', one of which will be a replacement for the new IfA Chief Executive, Sir Gerry Barragan (who was already an IfA Board member). It is intended that the new members will be in post by the end of April. In addition, Michael Keoghan, the IfA's Deputy Chief Executive (who was on secondment from the DfE), will be leaving to take up the post of Chief Economic Adviser at the Department for Business, Energy and Industrial Strategy (BEIS). It is likely that the job description of Mr Keoghan's post will be changed and that the Board will be seeking to recruit a Chief Operating Officer to fill the vacancy that Mr Keoghan leaves. The minutes of the November IfA Board meeting are available at:

<https://www.instituteforapprenticeships.org/media/1519/minutes-of-ifa-board-15-november-2017.pdf>

### ESFA REVERSES DECISIONS ON NON-LEVY APPRENTICESHIP CONTRACTS

Providers have been required to submit tenders to the ESFA for contracts to deliver apprenticeship training for firms outside the scope of the apprenticeship levy. The contracts available were for an initial period from January 2018 until March 2019. Last month, the outcome of the tender process revealed that 714 training providers had been awarded contracts (including one that has since gone out of business). Of those that were successful, 227 had never previously been awarded a contract to deliver apprenticeships directly. Those organisations that were unsuccessful fell into two main types. The first was those providers who passed the ESFA procurement scoring process, but who were subject to a pro-rata allocation system that took them beneath £200,000 minimum threshold needed to be awarded a contract. The second was those who failed the scoring mechanism altogether but were experienced (and sometimes good or outstanding) apprenticeship training providers. Many of the providers who failed to be awarded a contract have now successfully appealed against the ESFA decision. However, both the procurement process and the allocation methodology have been the subject of considerable criticism. It has also resulted in some providers calling for subcontracting to be rehabilitated and to be recognised by the ESFA as a legitimate method of helping to protect high-quality provision that might otherwise be lost.

### ESFA CRITICISED FOR DELAY IN PROVIDING SUBCONTRACTING INFORMATION TO GOVERNMENT COMMITTEES

Lead providers are required to provide details of the fees and charges they levy on their subcontractors. The information on subcontracting charges in an academic year is required by the November following the end of the academic year. Subcontracting is a politically contentious issue and both the House of Commons Education Committee and the National Audit Office (NAO) had scheduled meetings to discuss the subcontracting data for 2016/17. However, the ESFA has been unable to provide the required information in for these meetings, with lead providers reporting that they have not yet received the templates from the ESFA they are required use to return the information. Robert Halfon, the Chair of the Select Committee has asked the DfE to ascertain the reasons for the delay 'as a matter of urgency'.

## CARILLION TRAINEES FACE UNCERTAINTY

Carillion, which was in receipt of a £6.5 million ESFA allocation, was the UK's largest employer of construction apprentices and around 1,600 apprentices are believed to have been on Carillion training programmes at the time of the firm's collapse. The Construction Industry Training Board (CITB) has said that it is now 'working closely with the ESFA, the Official Receiver and its network of college providers so that every possible support is in place to help these apprentices continue their training'. The new Education Secretary for England, Damian Hinds has gone farther than this and said that 'every apprentice affected by the collapse of Carillion will be found new employment to enable them to complete their training'. Carillion's training was inspected by Ofsted at the end of 2016 and was judged as 'requires improvement'.

## APPRENTICESHIP TRAINING PROVIDERS 'OFFERING PROVISION IN AREAS WHERE THEY HAVE NO PHYSICAL BASE'

The DfE's 'Find Apprenticeship Training' website has a search function that *only* allows employers looking for training providers for their apprentices to search by geographical location. This has resulted in several training providers listing themselves as operating in numerous geographical locations (in some cases several hundred) across the country, even though they have no physical presence there. The reason for doing this is that it can help providers maximise the number of search 'hits' they get from employers, and the more 'hits' they get, the nearer to the top of search rankings for apprenticeship training they are placed. Those providers engaging in the practice argue that it is legitimate for them to list multiple locations because they deliver apprenticeship training on site, and that this has no relevance to the physical location of the training organisation 'head office'. The ESFA appears to have sanctioned the practice and has confirmed that 'an organisation that offers apprenticeship training does not need a permanent site, as long as it actually delivers locally in an area'. The website 'Find Apprentice Training' website can be found at:

<https://findapprenticeshiptraining.sfa.bis.gov.uk>

## UNDER-RECRUITMENT PLACES CHARTERED INSTITUTE FOR FURTHER EDUCATION (CIFE) UNDER FINANCIAL PRESSURE

The CIFE was granted a Royal Charter in June 2015. Membership of the Institute is intended to provide formal recognition of the status of high performing public and private FE providers. Providers wishing to join the Institute are required to meet the CIFE's entry criteria, which includes providing evidence of such things as, 'an exemplary record of corporate governance', 'satisfactory financial health', 'a reputation for honesty, openness and transparency' and 'ethical working practices'. The relationship of this criteria to Ofsted's judgement on the applicant's quality of provision and overall effectiveness is vague, and it is possible for a provider that has been judged as 'requires improvement' to be accepted for CIFE membership'. Providers applying for CIFE membership are required to pay a non-refundable fee of £3,000 to have their application processed, and those accepted for membership are required to pay an annual subscription fee of £5,000. Thus far, the CIFE has recruited just eight members and needs to recruit a further seventy for it to become financially self-sufficient. The CIFE has received more than £1 million of public money to fund set up costs, but the current shortfall in membership means that the CIFE still requires a subsidy from the DfE of around £200,000 a year to enable it to continue operating. More information on the CIFE can be accessed at:

<http://www.fecharter.org.uk>

## DFE INVITES APPLICATIONS FROM PROVIDERS INTERESTED IN BECOMING AN INSTITUTE OF TECHNOLOGY (IOT)

IoT were first mentioned in the government's 2015 Productivity Plan in which they were defined as 'high quality, prestigious institutions' that would help meet 'local economic priorities'. The document also said that £170 million would be made available to help establish them. The DfE has now invited providers to apply to become an IoT. However, it now appears that the £170 million is not additional money, but is a just a part of the existing FE capital funding programme which will be spread over three years. This has resulted in some observers comparing IoTs with the previous short-lived Centres of Vocational Excellence (CoVEs). It is thought likely that those providers that do apply to become an IoT will do so for reasons of prestige rather



than funding. The deadline for applications is the end of March. Details of how to apply can be accessed at: <https://www.gov.uk/government/news/170m-competition-launched-for-new-institutes-of-technology>

## **SLOW START FOR NATIONAL COLLEGES**

National Colleges are defined as 'centres of excellence that will provide the specialist training at Levels 4, 5 and 6 needed for workers in industries crucial to economic growth'. Five National Colleges have been announced so far, but only three have actually opened. These currently have a combined total of around 350 students and apprentices, although a DFE spokesperson said that 'learner numbers are expected to significantly increase'. Some critics say that National Colleges are 'national in name only', and that they are 'little more than localised hubs with small student enrolments operating in direct competition with existing FE colleges'. Details of the National Colleges that have actually opened so far are as follows:

- The National College for the Creative and Cultural Industries (NCCCI) opened in September 2016 and is based in Purfleet. It currently has 25 students and 86 apprentices.
- ADA, the National College for Digital Skills opened in September 2016 and is based in North London. It currently has 110 sixth-form students and 63 apprentices.
- The National College for High-Speed Rail opened in October 2017 and has sites in Birmingham and Doncaster. It currently has 60 students, but 140 more are expected in the January and May intakes.

## **EX ESFA AND IFA CEO (AND CURRENT SLC CEO) APPOINTED NCG CHAIR**

Peter Lauener, who was until his retirement last November the Chief Executive of the ESFA and the interim Chief executive of the IfA, has been appointed as the Chair of the Newcastle College Group (NCG). He will also continue in his current post of interim Chief Executive of the Student Loans Company (SLC) until a permanent replacement can be recruited.

## **UNIVERSITY TECHNICAL COLLEGES (UTCs) STRUGGLING TO MEET RECRUITMENT TARGETS**

Almost all the UTCs still open missed their recruitment targets in 2016/17. As a result, they collectively received around £11 million more from the ESFA than they were entitled to, based on their recruitment. Those UTCs facing a 'claw back' of funds say that they will not be able to afford to repay the amounts owed within the ESFA's normal timescale. However, the DfE has declined to say whether it is expecting all, or any, of the excess funding to be repaid. Meanwhile, a recent NAO report says that UTCs have 'failed to establish their position in the educational landscape', despite the £192 million that has so far been spent on their set up, and Ofsted has rated more than half the UTCs they have inspected as less than 'good'. This has prompted one observer to say that 'the UTC wheel may still be turning, but the hamster is dead'.

## **'BAKER AMENDMENT' COMES INTO FORCE**

The 'Baker Amendment', introduced in the Technical and Further Education Act 2017 by the former Education Secretary, Lord Baker, came into force this month. Lord Baker's primary intention was to help UTCs to increase their recruitment by placing a statutory responsibility on all academies and local authority schools to allow representatives of UTCs onto their premises to talk to pupils about the option of joining a UTC at age 14. However, the amendment also has the effect of providing FE colleges and other training providers with same the statutory right to access schools as UTCs. Many schools are likely to be reluctant to see their pupils being offered any option other than entry to their own sixth form, since any fall in numbers will be followed by less funding. Other measures to help UTCs increase their recruitment include a change in DfE school information regulations requiring all local authorities in England to write to parents of pupils in year nine to inform them about UTCs, and an additional £10 million 'transitional funding allocation' (roughly £200,000 per UTC) to 'help with marketing'.

## **DRAMATIC FALL THE NUMBER OF APPLICATIONS FOR TEACHER TRAINING PLACES**

Data published by Universities and Colleges Admissions Service (UCAS) reveals that as at 18 December 2017, only 12,820 people had applied for a teacher training place compared with 19,330 applications as at 19 December 2016. This is a 33% reduction at a time when pupil numbers are rapidly rising. The

contraction in teacher training applications has been described as 'disastrous' and there have been calls for the government to 'step in sooner, rather than later'. A copy of the UCAS data can be accessed at:

<https://www.ucas.com/file/142056/download?token=brfKAAC7>

### WHITE WORKING-CLASS PUPILS 'NEED MORE HELP TO SUCCEED'

In an interview with Fraser Nelson, the editor of the Spectator, Angela Raynor, the Shadow Education Secretary for England, was asked why the educational attainment of white working-class boys was so much lower than that of ethnic minorities, and why white working-class boys were 'literally at the bottom of the heap' in terms of university entrance. In reply, Ms Raynor said she thought that the poorer performance was the result of a white working class 'culture' that did not give as much importance to education as did ethnic minorities. She also said that successive governments had prioritised 'issues around race and women's agendas' and that this may have had a 'negative effect' on measures to address the educational needs of white working class young people, particularly boys. She did not denounce 'positive action' in favour of minorities allowed by equality legislation (such as the provision of additional educational support for minorities, and the Channel 4 and other internships that are only open to ethnic minority young people). However, she did argue that white working class young people needed more help improve and succeed than they were receiving at present, particularly in those urban areas where white young people are now the ethnic minority. Reflecting on her own experience of growing up in poverty and leaving school without any qualifications, Ms Raynor said that while white middle-class and ethnic minority families 'often spend a huge amount of money moving to an area with a good school or getting a private or grammar school education for their children', white working-class families did not have this 'ability to choose'. She said that 'they were never going to be pushy enough to be able to establish a free school' and that it was important to build an education system that invests the most in the areas, and on the people who need it the most'.

### SCHOOLS AND COLLEGES IN ENGLAND WILL NOT PARTICIPATE THE NEW OECD PISA 'GLOBAL COMPETENCE' TEST

The Organisation for Economic Co-operation and Development (OECD)'s Programme for International Student Assessment (PISA) carries out tests in mathematics, reading and science in schools and colleges in OECD countries. The test results are used to international performance tables which individual countries can use to benchmark the performance of young people against those in other countries. The OECD has now produced a new 'global competence' test which is designed to assess young peoples' respect for other cultures, and their ability to challenge extremism and identify fake news. A number of OECD countries, including England, the United States, Germany, France, Denmark, the Netherlands, Finland and Ireland have decided not to participate in the test, although they will continue to participate in the other core academic subject tests. Schools and colleges in Scotland, Australia and Canada are among those that will participate the new test, which is being offered for the first time this year. More information can be found at:

<http://www.oecd.org/pisa/aboutpisa/Global-competency-for-an-inclusive-world.pdf>

### PROPOSAL TO USE ARTIFICIAL INTELLIGENCE (AI) BASED ALGORITHMS TO HELP OFSTED IDENTIFY FAILING SCHOOLS

The 'Behavioural Insights Team' (BIT) is actually a company jointly owned by the UK government and the 'innovation charity' Nesta. A spokesperson for BIT said that the firm was working with Ofsted on a project that will use 'machine learning' (a form of AI) to develop and train algorithms to rate schools and to help Ofsted prioritise which schools should be inspected'. The data used to 'train the algorithm' includes past Ofsted inspection data, data from other schools, census information, and parental responses posted on Ofsted's 'Parent View' website. Curiously, the BIT spokesperson said that the data produced by the algorithm would 'not be shared with schools because it would not be helpful to do so'. The National Association of Head Teachers (NAHT) has viewed the development with alarm and that it is was necessary for heads and teachers 'to have absolute confidence that any inspection system derived from the use of the algorithm will treat teachers and leaders fairly'. College leaders are also concerned that if the algorithm is used in schools, its application in FE colleges will not be far behind. There are apparently no plans to

replace Ofsted inspectors with self-aware humanoid robots, although the alleged 'robot-like' behaviour being displayed by some inspectors during Ofsted inspections has apparently aroused the suspicions of some staff. A report on the BIT on the project (entitled '*Using Data Science in Policy*') can be found at:

<http://www.behaviouralinsights.co.uk/publications/using-data-science-in-policy/>

### THE NUMBER OF UNIVERSITIES OFFERING APPRENTICESHIPS LIKELY TO EXCEED 100

There are currently 88 universities included on the Register of Apprenticeship Training Providers (RoATP) UVAC (which is the University Vocational Awards Council and not a vacuum cleaner), says that the number is expected to increase to more than 100 when outcome of the next round of RoATP is announced and that the 'more modern universities' (by which they probably mean the former polytechnics) are 'increasingly seeing apprenticeships as an integral part of their core business'. UVAC also says that some universities are using higher and degree apprenticeships to help 'widen participation' and 'deliver the government's social mobility agenda'. Information on UVAC can be found at:

<https://uvac.ac.uk>

### HEALTH EDUCATION ENGLAND ANNOUNCES FIRST NURSING ASSOCIATE APPRENTICESHIPS

Previous UK governments have tried to save money by cutting back on the number of domestic nurse training places and making up the shortfall by recruiting trained nurses from abroad. However, low levels of pay, exacerbated by the recent deterioration of the value of Sterling against other currencies, alongside the imposition of more demanding English language requirements, has meant that working in the UK has become a less attractive proposition for foreign trained nurses. Last year, in an attempt to find the money to provide more nurse training places in England, the government bewilderingly decided to scrap the nurse training bursary and require trainee nurses to pay for their own training through tuition fee and maintenance loans instead. Unsurprisingly, the change has actually reduced number of applicants for nurse training. However, the Health (and now Health and Social Care) Secretary for England, Jeremy Hunt has announced the creation of 'nursing associate' apprenticeships that, he said, will 'allow people to qualify as a registered nurse after a four-year apprenticeship without having to take a traditional full-time university course'. He has described this as 'the biggest expansion of nurse training in the history of the NHS'. Health Education England (HEE) says that the Nursing Associate Apprenticeship Standard has now been completed and that the first 2,500 nursing apprentices will start their training in April of this year, followed by a further 2,500 intake starts later in the year. Nursing apprenticeships will be allocated on a per capita basis across the English regions and it is intended that each HEE region will work with local HE institutions to provide the 'off the job' element of the apprenticeship. This will be 'flexible' and include the delivery of off-the-job training on-site. HEE also says that 'a new National Implementation Board' will be established to oversee the further expansion of nursing apprenticeships beyond 2018'. Further information can be accessed at:

<https://www.gov.uk/government/publications/apprenticeship-standard-nursing-associate>

### MAJOR REVIEW OF UNIVERSITY TUITION FEES IN ENGLAND IS ANNOUNCED

Political pundits expected that Teresa May's decision to call a general election last June would result in a Conservative parliamentary majority of around 100 seats. Instead, the Conservatives lost their majority and were forced to rely on the support of the Ulster Unionists to remain in government. Against this, instead of being wiped out (as was expected on the basis of poor performance in local elections the previous month), the Labour party actually gained 30 seats. One of the reasons for this was thought to be a huge surge in support for the Labour Party from young people following Labour's manifesto pledges to scrap HE and FE tuition fees in England and to restore maintenance grants in place of the current maintenance loans. There was also an initial suggestion that existing student loan debts could be cancelled (although this was later dropped). In response to questions raised about 'affordability', Labour argued that recent estimates suggest that up to 85% of the current £100 billion of student debt will never be repaid, and that the tax-payer will be left meeting most of the cost of tuition fees and maintenance loans anyway. Given the choice between voting for a party committed to abolishing HE and FE tuition fees and another party content to see

university tuition fees rising above £9,250 per year in line with inflation, and average student debt rising to levels well in excess of £50,000, perhaps unsurprisingly young people (and their parents) turned out in droves to vote for the first option. More than one million young people aged 18-24 registered to vote for the first time and 66.4% of all young people age 18-24 who were eligible to vote turned out to vote (compared with 36.5% in the previous election). The vast majority of these additional votes are thought to have been cast in Labour's favour. In response, the Conservatives swiftly announced that tuition fees would be 'frozen' at the current £9,250 a year and that the amount that graduates could earn before being required to repay loans would be increased from £21,000 to £25,000 a year. It was also announced that there would be a 'major review and re-examination of the current system of university funding and student financing' which would consider such things as whether:

- Student loans should be replaced with a graduate tax paid from the higher incomes graduates are expected to earn over their working lives?
- Whether the interest charged on loans (currently 6.1%) is excessive?
- There should be a return to maintenance grants for disadvantaged students?
- Fees charged should vary according to the type of course taken, so that students would pay less for courses in which they might expect to earn less?
- Tuition fees should be 'means tested'?
- The sale of student-loan debt to private investors should be ended?
- Graduates should be given a right to 'buy back' their own student loans at the same discounted price at which they are currently being sold to investors?

Against this, strong arguments are being made to keep the current loans system in place, along with warnings that any change that reduces the level of university funding will mean the re-introduction of caps on student numbers. Perhaps unsurprisingly, these arguments are coming mainly (and most vociferously) from the universities themselves. For example, a report recently published by University College London's Centre for Global Higher Education, claims that if the current fees and loan system is abandoned, the 'funding stability', that has enabled universities to 'expand, invest in new buildings and provide more places for students, including those from disadvantaged backgrounds' will be lost. The UCL report can be found at:

<http://www.researchcghe.org/perch/resources/publications/wp30.pdf>

## HOUSE OF COMMONS SELECT COMMITTEE INVESTIGATES HE SECTOR GROWTH

Recent Office for National Statistics (ONS) data shows that in 2016, almost half (49%) of young people between the ages of 18 and 30 were either attending, or had attended, university. Politicians are now asking whether the exponential growth in HE provision is in response to national and local economic need, or whether it has been the result of intense competition between universities as they engage in a scramble to maximise their recruitment of students and thereby maximise their income. Following concerns that the recent HE expansion might be more to do with the latter, and worries about the mounting levels of student debt, the House of Commons Education Select Committee is investigating a number of issues, including:

- The reasons for the increase in the numbers of 'unconditional offers' being made by universities (up from a few hundred in the years to 2012, to 2,985 in 2013/14, 36,825 in 2014/15 and 51,615 last year).
- The extent to which there may be a 'dumbing down' of course entry requirements and course content taking place in order to allow universities recruit more students.
- The reasons for the increase in the number of higher classification degrees being awarded. In 2016, 26% of all graduates were awarded degrees with first-class honours, with 76% of all graduates being awarded upper second-class honours degrees or better. (One university awarded first-class honours degrees to more than 40% of its graduates).

## NEW OFFICE FOR STUDENTS (OFS)

The OfS is the new regulatory authority for the Higher Education sector in England. It was established by the Higher Education and Research Act 2017 and became operational this month (January). The OfS will take over:



- The former Higher Education Funding Council's (HEFCE) responsibility for HE funding in England (other than research funding, which becomes the responsibility of another new body covering the whole of the UK called the 'United Kingdom Research and Innovation').
- The former Office for Fair Access's (OFFA) responsibility for promoting fair access to HE.
- The responsibility for granting degree awarding powers to institutions.
- Granting permission for an institution use the term 'university' in its title.
- Responsibility for the administration of the Teaching Excellence Framework (TEF).
- Maintenance of the Register of Approved Higher Education Providers (RoAHEP).
- Responsibility for administering the statutory 'Prevent' duty in the HE sector.
- Responsibility for ensuring that universities allow freedom of speech on campus.

Sir Michael Barber has been appointed as OfS Chair and former Universities UK (UUK) Chief Executive, Nicola Dandridge has been appointed as its Chief Executive. The remainder of the Board membership, as of January 2018, is as follows:

- Simon Levine, DLA Piper
- Elizabeth Fagan, Managing Director of Boots
- Katja Hall, former Head of External Affairs HSBC
- Monisha Shah, Chair of Rose Bruford College of Theatre and Performance
- Ruth Carlson, student
- Martin Coleman (OfS Deputy Chair), formerly of Norton Rose Fulbright
- Chris Millward, Director for Fair Access and Participation at the OfS
- Gurpreet Dehal, formerly of Credit Suisse
- Kate Lander, Eukleia Training
- Carl Lygo, former Vice-chancellor of BPP, a private university which is part of the Apollo Group
- David Palfreyman, Director of the Oxford Centre for Higher Education Policy Studies
- Steve West, Vice-chancellor of the University of West England

Toby Young, a journalist, who had been appointed to the board, resigned in the wake of a backlash over the 'crude and sexist tweets' he had published on social media prior to his appointment.

Shadow Skills Minister for England, Gordon Marsden criticised the government's decision not to appoint a representative of the FE sector to the OfS Board, pointing out that 'one in ten students study HE in an FE environment'. (The former Minister for Universities in England, Jo Johnson, was apparently under the mistaken impression that Rose Bruford College was an FE college, whereas it is classified by the DfE as a private HE college which was granted its own degree awarding powers in 2017). Further details on the OfS can be found at:

<https://www.gov.uk/government/news/new-universities-regulator-comes-into-force>

### NEW GUIDELINES ON REGULATING VICE-CHANCELLORS' PAY ARE 'INSUFFICIENT'

Public concern at the 'excessive' level of pay of some university vice-chancellors has led to calls from politicians for pay restraint. These calls have now been backed by threats of sanctions being imposed by the new OfS (including fines and de-registration). The DfE has already required university boards (and FE college corporations) to justify the reasons for paying their senior staff salaries in excess of £150,000, and following on from this, the former Universities Minister for England, Jo Johnson, met with the Committee of University Chairs in an attempt to get them to agree new guidelines for determining the pay of vice-chancellors and other senior staff. The guidelines eventually agreed include the following:

- Vice-chancellors will no longer be able to take part in meetings where their own salaries are set.
- The reasons awarding for university senior staff abnormally large pay increases should be published
- Vice-chancellors' pay will not normally be expected to rise more quickly than the average increase in pay for other university staff.

- Universities will be required publish the 'pay multiples' between the vice-chancellors' earnings and the average salaries of other staff. (Vice-chancellors currently earn almost seven times the average pay of other university staff). If that multiple changes, universities will have to publish an explanation why.
- Any publication of Vice-chancellors' earnings must include the monetary value of other benefits (e.g. cars, chauffeurs, housing), along with bonuses awarded and employer pension contributions.

The proposals are now the subject of a consultation within the HE sector that will run until March. However, assuming the proposals are accepted, compliance with the guidelines will be voluntary. This has prompted the Chief Executive of the OfS, Nicola Dandridge, to say that the proposals were 'insufficient'.

### THE VICE-CHANCELLORS FIGHT BACK

PA Consulting conducts an annual survey of university heads, and its 2017 report says that Vice-Chancellors are 'dismayed and somewhat bemused' by the 'rapid upsurge of negative sentiment' towards their levels of pay. 88% of the Vice-chancellors who responded to the survey said that they believed that criticism was 'politically motivated'. For example, Professor Louise Richardson, the Vice-chancellor of Oxford University, said that 'mendacious politicians' had alleged that rising fees were being used to subsidise vice-chancellors' pay. In 2016/17 Professor Richardson was paid £410,000, including employer pension contributions, but *not* including rent-free accommodation in a £2 million Victorian villa owned by the university, expenses and other perks. And the Vice-chancellor of Bath University, Professor Dame Glynis Breakwell pointed out that vice-chancellors were 'modestly paid compared to bankers and footballers'. Professor Breakwell currently earns £468,000, including employer pension contributions, but excluding 'perks' such as expenses and housing allowances. She is due to step down at the end of this summer but will continue to receive full pay for a further six months. Some vice-chancellors insisted that they were facing 'political revenge for their strong opposition to Brexit'. Others said they had been caught up in a 'public backlash against bankers' remuneration following the 2008 economic crash' and that the criticism was 'come-uppance for the perceived immunity of universities to ten years of public sector austerity'. Some said that the criticism was 'the result of a populist battle between the main political parties for the youth vote'. A copy of the PA Consulting report can be obtained at:

<https://www.paconsulting.com/insights/2018/higher-education-report-2018/>

### FREE SPEECH AND 'NO PLATFORMING' ON CAMPUS

Universities and colleges are traditionally considered to places for debate and for ideas to be discussed and challenged. This is actually a statutory requirement included in the Education (No 2) Act 1986 and means that universities (and colleges) are legally required to 'take reasonable steps to ensure freedom of speech within the law for staff, students and visiting speakers'. They are also legally required ensure 'that their governance is consistent with the principles of free speech'. However, arguments are also being made that universities should also 'be places where people, and particularly minorities (of all kinds), can feel safe and comfortable'. This has resulted in the emergence of new concepts such as 'no platforming' and 'safe spaces'. ('No platforming' means that no proscribed person or organisation will be allowed to speak at a university, and a 'safe space' is defined as an environment in which students, and particularly those from minorities, can be shielded from the risk of intimidation or comments they might regard as being offensive. The National Union of Students (NUS) has established an official 'no platform' list which includes the British National Party (BNP), the English Defence League (EDL), Al-Muhajiroun, and Hizb ut-Tahrir, but university student unions can add their own proscribed organisations to the list. This sometimes results in controversy. For example, students at the London School of Economics (LSE) recently set up a 'Free Speech Society' in response to what they said was an increasing level of censorship on LSE campuses. However, the LSE student union has now voted that the Free Speech Society should be banned.

Earlier this month, the former Minister for Universities in England, Jo Johnson, intervened in the debate, arguing that universities 'should be places that open minds, not close them'. He said that there was 'no place for hatred, discrimination, extremism or racism' in universities, but there was also a need to be aware that there are 'dangers associated with shielding students from differing views' and that 'no platforming' might be used by some 'as a way of stifling the views of those who do not agree with them'. Mr Johnson

said that the definition of hate speech was clearly set out in law, and that students who felt uncomfortable with views that fell outside this legal definition needed to 'become more resilient and learn to deal with controversial opinions'. He warned that the new OfS has legal powers to ensure that universities 'promote freedom of speech within the law' and can impose sanctions on those universities that fail to do so. Meanwhile, a recent BBC survey found that 63% of students supported the practice of 'no platforming', and that more than 90% of UK universities had been engaged in some form of 'restriction of free speech'.

### BBC INVESTIGATION REVEALS THAT 'THOUSANDS OF UK NATIONALS HAVE BOUGHT FAKE DEGREES'

Investigative reporters for the BBC's Radio 4 'File on Four' programme found that in 2013 and 2014 alone, more than 3,000 UK nationals bought fake degrees from an organisation called 'Axact'. The firm claims to be the 'world's largest IT company', but it actually operates from a call centre in Karachi and has built up a multi-million-pound business selling fake qualification certificates. Worryingly, amongst the UK nationals known to have bought fake qualifications are staff employed by the NHS ranging from senior consultants to nurses. The File on Four programme (entitled '*Degrees of Deception*') gave examples of a person currently practicing as a consultant at a London teaching hospital who was listed in the Axact records as having bought a fake medical degree and another who had bought a fake medical technology degree. Reporters were careful to make clear that this did not necessarily mean that those who had purchased fake qualifications did not also hold other genuine medical qualifications. Other examples of people who had bought fake qualifications from Axact included two helicopter pilots and a major defence contractor. Responding to the findings, the DfE said that 'decisive action' was being taken to crack down on bogus colleges and degree fraud. The General Medical Council said it was the responsibility of NHS employers to verify any qualifications, however, a spokesperson for Higher Education Degree Datacheck (HEDD) said that only around 20% of employers ran 'proper checks' on applicants' qualifications, and that in any event it was difficult to verify qualifications obtained that had been obtained abroad and/or several years in the past. Axact declined to be interviewed by the BBC, but it is known that in 2015, the firm sold more than 215,000 fake qualifications world-wide through approximately 350 bogus colleges and universities, and made around £37.5 million from doing so. Axact continues to sell fake degrees online, but Action Fraud, the UK national cybercrime reporting agency, says that it has no legal power to close down Axact websites. Instead, the agency is required to gather and present internet service providers with sufficient evidence of criminality to justify them closing down the sites, adding that this process 'could take several months'. You can listen to the File on Four '*Degrees of deception*' programme on BBC iPlayer at:

<http://www.bbc.co.uk/programmes/b09ly731>

### 'INTERNATIONAL STUDENTS ARE WORTH £20 BILLION A YEAR TO THE UK ECONOMY', SAYS REPORT

In 2016/17, around 230,000 students came from other countries to the UK to attend university courses, with China being the most common country of origin. A recent report from the research firm 'London Economics' commissioned by the Higher Education Policy Institute (HEPI) says that international HE student tuition fees, plus the amount international students spend locally whilst on their courses, is worth around £20 billion per year to the UK economy (although no data is provided on the cost of recruiting and teaching international students, nor on other wider costs, such as the extra pressure on housing and local services and the non-repayment of loans). The report adds that non-EU students, who pay higher fees, are worth an average of £102,000 each to the local economy where they are studying. The report goes on to say that, at £4.6 billion a year, London benefits the most from international students. Of the 575,000 people who immigrated into UK in the year to June 2017 it is estimated that around 40% of these were students, and the report is being used to justify their removal from immigration targets. A spokesperson for the Home Office said that there were 'no plans to change to how migration targets were measured' but insisted that there were no limits 'on the number of *genuine* international students that can come to the UK to study'.

Many FE colleges recruit international students and a recent Association of Colleges (AoC) report based on the responses of 90 colleges reveals that in 2016/17:

- Around two thirds of colleges were actively involved in international work.
- 28% of colleges had dropped out of international provision in the past five years.
- Around 11,000 non-EU international students were recruited (an average of around 120 per college).
- Non-EU students generated around £57 million annually, with an average income per college of around £800,000 (although no data was provided on the cost of recruiting and teaching international students).
- The majority of non-EU international students came from China.
- The majority of non-UK EU students came from Italy, followed by Germany, Spain and France.
- Most non-EU international students entered the UK on short-term study visas.
- English language was the most popular subject being studied.

Access to the full AoC report is restricted to members, but copy of the HEPI report can be accessed at:

<http://www.hepi.ac.uk/wp-content/uploads/2018/01/Economic-benefits-of-international-students-by-constituency-Final-11-01-2018.pdf>

### NAO REPORT SAYS PFI COSTS TAXPAYERS £ BILLIONS MORE THAN GOVERNMENT FUNDING

A recent NAO report suggests that schools and hospitals financed through the Private Finance Initiative (PFI) have respectively cost 40% and 70% more than if they had been financed by government borrowing. The report says that there are currently over 716 PFI projects, with a capital value of around £60 billion and in 2016/17 alone, the annual interest and other charges for these projects paid to private sector sponsors amounted to £10.3 billion. The report goes on to say that even if no new PFI projects are entered into, by 2040 charges on existing projects will have amounted to almost £200 billion (although the premises and other assets to which these charges relate will never pass into public ownership). A spokesperson for the Treasury insisted that the NAO report was 'flawed' because the claim that PFI financed school projects were 40% more expensive, was based on 'an analysis of just 12 PFI financed school building projects in North West England'. The spokesperson argued that PFI projects generally 'had improved public services, offered better value for money and shifted risk away from the public sector'. (The NAO report was compiled before the collapse of Carillion). However, the Public Accounts Committee (PAC) was unconvinced by the Treasury's arguments and the PAC chair, Meg Hillier, said that members had found 'little evidence that the benefits of PFI offset its additional costs'. The NAO report can be accessed at:

<https://www.nao.org.uk/wp-content/uploads/2018/01/PFI-and-PF2.pdf>

### AND FINALLY...

Following on from what was the slightly bewildering popularity of the Click Christmas Quiz, here is the Click New Year quiz. Answers will (or more likely won't) be provided in the next edition.

1. Name the Victorian engineer who invented Stephenson's Rocket?
2. Which British admiral's statue stands on the top of Nelson's Column?
3. Which Egyptian pharaoh's mummified remains were found in Tutankhamun's tomb?
4. The Lincoln Memorial commemorates the life of which American president?
5. The Duke of Wellington's horse, Copenhagen, was named after which European City?
6. Which Roman emperor oversaw the building of Hadrian's Wall?
7. In what region of Spain is Catalonia?
8. York Cathedral can be found in which English city?
9. Which region of France is famous for its Bordeaux wine?
10. What river does the Severn Bridge cross?
11. In which South American country is the Panama Canal?
12. From which country does New Zealand lamb come from?
13. Where in America is the West End musical 'Jersey Boys' set?
14. In which UK city can the Tower of London be found?
15. Which UK region is covered by the BBC local news programme 'Midlands Today'?
16. Where in Italy is the 'Leaning Tower of Pisa'?



17. Spell 'metaphor'.
18. Write a sentence with the word 'toxicology' in it.
19. Which classical Greek poet wrote Homer's Odyssey?
20. Who formulated Pythagoras' theorem?
21. What word best describes an oblong?
22. What is the generic name for the type of food served in a Chinese Restaurant?
23. What metal is extracted from a tin mine?
24. Name the two main puppet characters in a Punch and Judy show?
25. Who designed the Eiffel Tower?
26. Where in the United States would you find the world- famous New York subway?
27. In which Black Country town is West Bromwich Albion's home stadium, the 'Hawthorns'?
28. What is the name of the horizontal bar supported by two ropes which is used by a trapeze artist?
29. In athletic track and field events, what is the name of the circular object used by a discus thrower?
30. Name the corn-flake based breakfast cereal developed by Dr John Kellogg in 1894?

### Alan Birks – January 2018

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