

SECTOR DEVELOPMENTS...

THE NUMBER OF APPRENTICESHIP STARTS CONTINUES TO FALL

Last month (June), the Education and Skills Funding Agency (ESFA) published its 'Monthly Apprenticeship Statistics Update'. The update reveals that the number of apprenticeship starts continues to fall quite dramatically and suggests that the rate of contraction is escalating. The data shows that, for example:

- In March, the number of starts were down by 26,100 (52%) compared with March 2017.
- In February, starts were down by 14,600 (40%) compared with February 2017.
- In January, monthly starts were down by 11,300 (31%) compared with January 2017.
- There was a total of 261,200 apprenticeship starts between August 2017 and March 2018, down by 101,200 (24%) compared with the period between August 2016 and March 2017.

The continuing contraction in starts currently projects a shortfall of around 20% against the government's target of 3 million new apprenticeship starts by 2020, but this could fall further if the trend continues. However, the ESFA said that comparing individual months with that of previous years is unlikely to provide 'a meaningful year on year trend' because 'the profile of apprenticeship starts changed significantly in the run up to the introduction of the levy and beyond'. The ESFA also points out that the figures are provisional, and that the final data will be published in November. A copy of the data can be found at the link below.

<https://www.gov.uk/government/statistics/apprenticeship-and-levy-statistics-june-2018>

LEVY-PAYING EMPLOYERS HAVE USED ONLY A FRACTION OF APPRENTICESHIP LEVY FUNDS

An apprenticeship levy of 0.5% of annual payroll is paid by all employers with an annual salary bill in excess of £3 million. The money raised by the levy goes into a central pot from and employers have two years to claim back their levy payments to spend on apprenticeship training. However, it has emerged that, in the year to April 2018, levy-paying employers had claimed back just £207 million (or 10%) of the £2.01 million that was available to them in that year. Observers say that the continuing contraction in the number of apprenticeship starts since the levy was introduced in April 2017 reflects this.

COMBINED AUTHORITY MAYORS CALL FOR EVEN MORE CONTROL OF SKILLS FUNDING

In response to the continuing contraction in the number of apprenticeship starts and the corresponding underspend of levy funding, the mayors of the new combined authorities have called on the government to give them the unspent levy funding. The combined authorities will assume devolved control of the Adult Education Budget (AEB) in 2019/20, but in a joint letter to the government, the mayors have also asked to be given full control of all 16-19 skills funding (including that for apprenticeships and for the new T-Levels).

ESFA PUBLISHES PRIME PROVIDER SUBCONTRACTING CHARGES

The long-awaited ESFA data on subcontracting has finally been published and reveals that in 2016/17, the 'administrative and management fees' that 407 prime providers charged their subcontractors to run training on their behalf amounted to £110.6 million. The practice of levying such charges tends to be referred to as 'top-slicing' (or 'skimming') and the ESFA data shows that almost 3 in 10 prime providers top-sliced more than 20% of the contract value. Learndirect, made £4.7 million from just one deal by top-slicing 40% of an £11.9 million from a contract it had secured via the Adult Education Budget and which it then subcontracted out to another independent trainer to deliver. Commenting on the ESFA data, the Chair of the House of Commons Select Committee, Robert Halfon, described the amounts being top-sliced by prime providers as 'scandalous', but the Department for Education (DfE) simply said that it had 'no concerns'. Subcontracting has long been politically contentious, with MPs concerned that the practice was resulting in an excessive depletion of the public funding made available for the front-line delivery of apprenticeship and other training provision. In response to these concerns, the ESFA announced in April that there would be a review of subcontracting fees and charges. The review has apparently now been completed and it is expected that

'comprehensive new subcontracting guidance agreed between key government education agencies and FE bodies' will be published by the ESFA 'within weeks'. Any subsequent changes made to subcontracting rules are thought likely to come into force in August. The ESFA subcontracting data and the amounts each prime provider charged their subcontractors in 2016/17 can be found at:

https://www.gov.uk/government/publications/subcontracting-fees-and-charges-for-the-academic-year-2016-to-2017?utm_source=0ebd42b8-06bb-4743-b7b1-36745da53eb9&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate

NAO TO FOLLOW UP ITS 2016 INVESTIGATION INTO APPRENTICESHIP REFORMS

Following concerns that Department for Employment (DfE) may not have done enough to identify the potential risk for 'market abuse' arising from the levy and other apprenticeship reforms, the National Audit Office (NAO) says that it is launching a follow up investigation to the one it conducted in 2016. The report, entitled '*Delivering value through the Apprenticeships Programme*' warned that 'without more robust risk planning, the apprenticeship reform programme could be the subject to the same high levels of fraud associated with the failed Individual Learning Account (ILA) scheme' and expressed concerns that the DfE had no contingency plan in case the levy and funding reforms did not work out as intended. The new NAO investigation will focus on:

- The extent to which the DfE is ensuring that the apprenticeship system is not being abused and is not open to financial fraud.
- The reasons for the dramatic contraction in the number of apprenticeship starts since the levy was introduced.
- The extent to which the Institute for Apprenticeships (IfA) is an effective 'policing body' for the apprenticeship reforms programme.

A copy of the earlier 2016 NAO report can be found at:

<https://www.nao.org.uk/report/delivery-value-through-the-apprenticeships-programme/>

EARLY OFSTED MONITORING VISITS TO NEW APPRENTICESHIP PROVIDERS RAISE CONCERNS

There have been huge numbers of new providers entering the market for apprenticeship training and early Ofsted monitoring visits show that although some are making 'significant progress', around a quarter of them are making 'insufficient progress' and their impact of their provision on the learning of the apprentices they were training 'had been negligible'. The DfE has now given Ofsted overall responsibility for the judgements on the quality of apprenticeship provision and a spokesperson said that a policy announcement would shortly be made in relation to intervention at these failing providers.

INSTITUTE FOR APPRENTICESHIPS (IFA) DEFERS ASSUMING RESPONSIBILITY FOR T-LEVELS TO MARCH 2019

The IfA has now published its 2018/19 Business Plan and its Five-Year Strategic Plan. Amongst other things contained in the business plan is a statement to the effect that the IfA does not expect to have agreed a full implementation timetable for taking responsibility for T-Levels until March 2019. This is the second deferment and will result in total delay of at least one year from when the DfE's originally intended the IfA to take control. The first three T-Levels are due to be launched in September 2020 and these will be managed by the DfE and this latest deferment suggests that the DfE could also have to manage Wave 2 T-Level starts in 2021. Meanwhile, the IfA has also been criticised for failing to carry out any formal review of duplicate, narrow or low-skill apprenticeship standards, some two years after being requested to do so. A copy of the IfA Business Plan can be found at:

<https://www.instituteforapprenticeships.org/media/1950/institute-business-plan-2018-2019.pdf>

And a copy of the IfA Five-Year Strategic Plan can be found at:

https://www.instituteforapprenticeships.org/media/1931/ccs0518577716-1_institute_5_year_strategic_plan_accessible_lm.pdf

THE IFA CONTINUES TO BUILD ITS SENIOR TEAM

Carmel Grant OBE, the former Head of Army Reform has been appointed as the IfA's Deputy Director of Technical Education. Her appointment follows that of Robert Nitsch CBE as the IfA's Chief Operating Officer. Mr Nitsch was previously the Army's Director of Personnel. Both previously worked under the IfA Chief Executive, Sir Gerry Berragan, when he was the Army's Adjutant General. In her role as Deputy Director of Technical Education, Ms Grant's duties will involve assuming responsibility for leading on T-Levels whenever it is that the IfA eventually takes control of the new qualifications from the DfE. She will report to Mr Nitsch and will have direct responsibility for around 20 staff. Not all IfA senior managers are ex-army. Others that have been appointed recently include the following:

- Peter Schild, who is a former Finance Director at Her Majesty's Revenue and Customs (HMRC), who becomes Chief Financial Officer.
- James Matthews, formerly a Strategic Development Manager at the London Stock Exchange Group and a former Private Secretary to the Cabinet Secretary, who has been appointed as Chief of Staff.
- Lucy Rigler who has been appointed as the IfA's Acting Deputy Director for Funding Policy.
- Ana Osborne who has been appointed as Deputy Director for Approvals.
- Jonathan Mitchell who has been appointed as Deputy Director for Standards Development.
- Alex Wilson who has been appointed Deputy Director for Digital Services and Data Science.
- Nikki Christie who has been appointed as Deputy Director for Assessment and Quality.

More information on the membership and structure of the IfA senior team can be found at:

<http://www.instituteforapprenticeships.org/about/management-team/>

THE IFA 'SHOULD BE ABOLISHED', SAYS LORDS ECONOMIC AFFAIRS COMMITTEE REPORT

The cross-party House of Lords Economic Affairs Committee has published a report entitled '*Treating Students Fairly: The Economics of Post-School Education*'. Amongst other things in the report is a recommendation that 'the IfA should be abolished'. This, says the report, is because the role of the IfA is 'unclear' and it 'fails to provide an effective policing body for apprenticeships standards'. The report also calls a simplified regulatory system across all FE and HE, in which it sees no place for the IfA because:

- The quality and outcomes of Level 2 and 3 apprenticeships (along with other FE provision) should be the responsibility of a new FE Regulator with 'sufficient resources to champion further education'.
- There should be a single, UCAS-style application system for all FE and apprenticeship programmes.
- The quality and outcomes of Level 4 and above apprenticeships should be the responsibility of the HE Regulator, which is now the Office for Students (OfS).
- The Minister for Skills and Apprenticeships should provide oversight of both the FE and HE regulators.
- The responsibility and oversight apprenticeship end-point assessments (EPAs) and for T-Level accreditation should rest with Ofqual.
- The overall responsibility for FE and apprenticeship quality assurance should rest with Ofsted.

Other observations, concerns, criticisms and recommendations relating to FE and apprenticeships contained in the report include the following:

- The government's target of three million new apprenticeship starts by 2020 should be 'scrapped immediately', because it 'has prioritised quantity over quality'.
- Forcing large employers to pay towards training through the levy has 'encouraged the rebadging of existing training activity', and has resulted in public money being spent on staff who are already employed and highly-qualified, rather than on those who are unemployed and/or without skills.
- Over half of apprenticeship training providers have been judged as 'inadequate' or 'requires improvement' in recent Ofsted inspections.
- Part-time FE and HE study and adult learning have 'declined dramatically'.

- The 'structure and distribution of funding in the post-school education sector is unfair and inefficient'. FE is the poor relation to HE' and 'the system is too heavily skewed towards degrees'. The government needs to move funding from universities to colleges in order to end the 'scandal of FE cuts'.
- Schools 'must present all post-16 and post-18 options as equal'. Financial and other incentives which encourage schools to promote their own sixth forms and university routes above apprenticeships and other FE and training options should be removed.
- 'The notion that simply getting 50% of people to university must necessarily be a good thing for the economy needs to be seriously challenged'.

The report is quite long, but if you have the time and are sufficiently interested, it makes some interesting points and is worth reading. A copy can be found at:

<https://publications.parliament.uk/pa/ld201719/ldselect/ldconaf/139/13902.htm>

HOUSE OF COMMONS SELECT COMMITTEE INQUIRY INTO SCHOOL AND COLLEGE FUNDING

If you read the transcript of the first oral evidence session of the Commons Education Select Committee's Inquiry into School and College Funding (see link below), you might be forgiven for thinking that the glaring funding gap between pre-16 and 16-18 funding would be the first item on the agenda. Instead, it ended up being virtually ignored. Witnesses from the Education Policy Institute (EPI), and the National Foundation for Educational Research (NFER) told MPs that 16-18 FE funding was not something their organisations had 'carried out extensive research into'. But to be fair, they did say that 'funding for FE needs to be further looked at', and committee members did agree that FE 'needed more funding', before swiftly moving on to discuss in rather more detail the level of funding needed for a school to ensure a 'good' rating from Ofsted. More information on the Education Select Committee Inquiry into School and College funding can be found at:

<https://www.parliament.uk/business/committees/committees-a-z/commons-select/education-committee/inquiries/parliament-2017/school-and-college-funding-inquiry-17-19/>

And a transcript of the first evidence session held on 19 June can be found at:

<http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/education-committee/school-and-college-funding/written/84801.html>

IFS REPORT - BY 2020, 16-18 FUNDING WILL HAVE DROPPED TO SAME LEVEL AS 30 YEARS AGO

A new report from the Institute of Fiscal Studies (IfS) says that real terms spending per student aged 16-18 in FE and sixth form colleges and in school sixth forms in England will, by the end of the decade, have dropped to the same level as it was 30 years ago. The report, which was produced by the IfS for the Children's Commissioner for England, reveals that 16-18 spending per student rose by 27% in real terms between 2000/01 and 2009/10. However, this failed to keep pace with the increasing numbers of students aged 16-18 participating in post-school education. Also, the increase per 16-18 student funding was only around half as much as the per-pupil increase in spending in primary and secondary schools. Since 2010, the IfS estimates there has been a 15-20% real-terms cut in total spending on 16-18 education and predicts that by 2020 in real terms it, will have fallen to the same level as it was in 1990. The IfS also warns that the various 'small, hypothecated increases in 16-18 funding linked to particular subjects or schemes' have had 'no discernible impact on the education of the majority of young people' and that only 'a significant increase' in the core post-16 funding rate can 'ensure that our young people can continue to receive a high quality, internationally competitive education'. A copy of the IfS report, entitled '*Public Spending on Children in England 2000-2020*', can be found at:

<https://www.childrenscommissioner.gov.uk/wp-content/uploads/2018/06/Public-Spending-on-Children-in-England-CCO-JUNE-2018.pdf>

POST-18 EDUCATION REVIEW PANEL SAYS IT WILL ADDRESS FUNDING IMBALANCE

The Post-18 Education Funding Review Panel was launched earlier this year by the Prime Minister, Theresa May, with a remit to identify how best to 'promote a more dynamic market in education and training provision', 'ensure the post-18 education system is accessible to all', and 'encourage the development of the skills that we need as a country'. A consultation exercise has been completed and Philip Augar, the chair of the panel, speaking to delegates to the recent Association of Employment and Learning Providers (AELP) conference, said that virtually all responses received so far said that FE funding was too low and that the current system was unbalanced, unfair and biased towards HE. He went on to say that the Review Panel would now be trying to 'identify a set of options' on how to address this. An interim report will be published by the panel later this year, with the final report expected in early 2019, a timescale which the Shadow Minister for FE and Skills in England, Gordon Marsden, has described as 'far too slow'.

COLLEGES ADVISED TO 'FULLY FAMILIARISE THEMSELVES' WITH FE INSOLVENCY REGIME

The Technical and Further Education Act 2017 has established a new insolvency regime for FE and sixth-form colleges, which will come into force later this year. The DfE says that it expects that the use of these insolvency arrangements will be 'rare', and will only apply where colleges are in 'severe financial difficulties where there is no alternative viable solution for managing the college out of that situation'. The DfE advises all colleges to fully familiarise themselves with the new insolvency procedures and to make sure they are on a financially sustainable footing by the end of this financial year'. This is because the DfE will cease to provide exceptional financial support for colleges once the insolvency regime is in place. This might prove to be a little tricky for some to achieve, particularly when the DfE itself predicts that number of colleges in receipt of formal notices of concern in respect of their financial health will almost triple to around 100 within the next 10 years. A copy of the new insolvency arrangements for colleges can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/716566/Consultation-response-FE-insolvency.pdf

CONCERN AT THE INCREASING AMOUNTS OF COLLEGE INCOME SPENT ON EXAMINATION FEES

The Association of Colleges (AoC) has analysed published college accounts and produced data that reveals that in 2016/17, colleges spent more than £174 million on examination fees. This is around 2.5% of total college income. Fees are likely to rise still further as a result of the extra expenditure needed to meet the GCSE resit condition of funding and the introduction of T-Levels. The AoC says that if the current bill for examination fees was halved, the amount of money saved could pay for 2,000 new FE teachers. Of course, another way to save money would be if FE colleges, like universities, were allowed to set and grade their own examinations (albeit subject to external moderation). But although the government seems prepared to allow universities to design their own degree content and set grades (and even to allow McDonald's to award its own Foundation Degrees), it would probably be a good idea not to hold your breath waiting for the government to give the FE sector the freedom to do the same.

JISC BEGINS TO ROLL OUT CHARGES FOR FE COLLEGES IN ENGLAND

JISC (formerly the Joint Information Services Committee) has started to provide FE colleges in England with an indication of how much they will be charged from August 2019 to retain access to JISC services such as cloud storage, bulk purchasing discounts, connectivity, learning resources and cyber-security. Typical charges are thought to be in the region of £20,000-£100,000 per year depending on college size and turnover. The charges come in the wake of an earlier decision by the DfE to cut JISC funding and to require JISC to make up the shortfall by charging subscription fees. JISC services will continue to be provided free of charge to FE colleges in Scotland, Wales and Northern Ireland via funding provided by the devolved governments of those countries. JISC services will also remain free of charge to sixth form colleges and school sixth forms in England via funding provided through the DfE. However, the DfE has declined to provide any funding for JISC services to continue to be provided free of charge for English FE colleges. Universities will also be required to pay JISC subscription fees, but then again, they can probably afford them. JISC has produced a 'question and answer' sheet for English colleges, which can be found at:

<https://www.jisc.ac.uk/blog/fe-subscription-members-top-concerns-answered-27-jun-2018>

SECOND ROUND OF SCIF FUNDING IS ANNOUNCED

Last June, the DfE announced that £15 million was to be made available through a 'Strategic College Improvement Fund' (SCIF). The fund is intended to help struggling colleges improve and last October, the first allocations totalling £2 million, were made to 14 colleges that were eligible to access the funding. On June 28 this year, other colleges were invited to bid for the remaining £13 million of SCIF funding. To be eligible, FE and sixth-form colleges must be rated 'requires improvement' or 'inadequate' either for 'Overall Effectiveness' or in a specific area, such 'Outcomes for Learners', or 'Leadership and Management' in their last Ofsted inspection report, or have been identified by the FE Commissioner as needing early intervention. Colleges applying for funds will be expected to work with a 'stronger partner' college graded by Ofsted as 'outstanding' or 'good'. Partner colleges might have a principal who is one of the new National Leaders of FE (NLFs) group, although the DfE guidance says this is not a mandatory requirement. The application process has two stages. Applications for stage one are due by July 27. Applicants do not need to identify a partner college at this stage. Those colleges who are successful at stage 1 will need to be obtain support from external 'sector experts' to develop their stage 2 applications in more detail. Stage 2 applications must be made September 21. Details of how to applying for SCIF funds are at:

<https://www.gov.uk/guidance/guidance-for-applicants-to-the-strategic-college-improvement-fund>

FE COMMISSIONER FOR ENGLAND SEEKS TO RECRUIT NATIONAL LEADERS OF GOVERNANCE

Having earlier recruited principals to become National Leaders of FE (NLFs), the FE commissioner for England is now looking for candidates to become National Leaders of Governance (NLGs). Serving chairs, governors or clerks from colleges rated by Ofsted as 'Outstanding' or 'Good' can apply for the role, for which they will be paid £300 a day for an estimated 50 days' work a year. Those interested in applying must be able to show experience in three main areas, which are 'supporting college improvement', 'building capacity within the college board', and 'coaching and mentoring'. The closing date for applications is 13 July. Further information can be found at:

<https://www.gov.uk/government/publications/national-leaders-of-governance-for-further-education-guidance>

T-LEVEL ROLL-OUT TO BE SCRUTINISED BY THE NATIONAL AUDIT OFFICE (NAO)

Last month, the Secretary of State for Education in England, Damian Hinds, chose to ignore the advice of his Permanent Secretary, Jonathan Slater, and refused to delay the 2020 rollout of the new T-Levels. Given his responsibility to 'consider the regularity, propriety, value for money and feasibility of public spending' and the concerns he had about 'potential losses' in connection with the T-Level roll-out timetable, Mr Slater insisted that Mr Hinds give him a written instruction to proceed. Mr Hinds went further than this and issued Mr Slater with a formal 'Ministerial direction'. The use of Ministerial directions is extremely rare. When one is issued, the head of the NAO is automatically informed. The head of the NAO then advises the chair of Public Accounts Committee (PAC) on whether further action is necessary. The current head of the NAO, (formally referred to as the Comptroller and Auditor General) Sir Amyas Morse, has now written to the PAC chair, Meg Hillier, suggesting that the PAC might wish to consider the matter further. In his letter, he says that the NAO intends to 'monitor future spending and consider the potential for losses and fruitless payments arising from T-levels' as part of NAO audits of the DfE' and goes on to say, 'I have asked my staff to discuss with department officials the reasons for the permanent secretary seeking the ministerial direction, and the plans and risk management arrangements in place for introducing T-levels from 2020'. Ms Hillier, responded to Sir Amyas' letter saying that the PAC would be questioning Mr Slater about the issue and at the PAC meeting held on 25 June, Mr Slater formally informed PAC members that he had concerns about the 'lack of contingency' built into the T-Level timetable. For his part, Mr Hinds has told the Education Select Committee that the new qualifications were being introduced at a 'good pace'. A copy of the ministerial direction Mr Hinds sent to Mr Slater can be found at:

<https://www.gov.uk/government/publications/t-levels-ministerial-direction>

And a copy of the letter sent by Sir Amyas to Ms Hillier can be found at:

<https://www.parliament.uk/documents/commons-committees/public-accounts/Correspondence/2017-19/180607-Letter-from-CAG-to-PAC-Chair%20T-Level-Direction.pdf>

FEDERATION OF AWARDING BODIES (FAB) MAY TAKE LEGAL ACTION OVER T-LEVEL TENDERING

Against advice received from some quarters, the government has decided that each of the new T-Level qualifications will be offered and awarded by a single awarding body (AO) under a five-year licence. Two 'market engagement' events for prospective bidders have already taken place and tenders will be launched in the autumn. However, the Chief Executive of the FAB, Tom Bewick has complained that the commercial terms to which the AO selected will be required to agree 'set disproportionate limits on the intellectual property and ownership'. His main concerns are that the IfA will own the intellectual property in any T-Level materials developed by the AO selected for the duration of their contract. The successful AO will also be banned from using any of the qualification content without prior written approval from the IfA and will not be allowed to use any of their own branding in connection with the content. Mr Bewick says that FAB's lawyers have been instructed to investigate whether the terms comply with EU and other public-sector procurement regulations and if they do not FAB will consider taking out an injunction to halt the procurement process.

APPRENTICESHIPS AND SKILLS MINISTER ANNOUNCES FUNDING TO TRAIN 'INDUSTRY EXPERTS' TO TEACH T-LEVELS

Details have been announced of a £5 million scheme to train 'industry experts' to teach T-Levels. The scheme will be administered by the Education and Training Foundation (ETF) and providers can apply for up to £20,000 to help meet the cost of training up to five 'experienced industry professionals' who will undertake a Level 5 Diploma in Education and Training study programme. To be eligible, candidates must be industry professionals, defined as 'individuals who have worked for a minimum of three years in their area of vocation and are, at the time of applying, still working in that same industry, or has been within the past 18 months. The aim of the scheme is to support the training of up to 50 industry experts to become FE teachers in 2018/19 and 100 more in 2019/20. An ETF spokesperson said that the focus was on 'priority sectors', including the first T-level routes scheduled for a September 2020 start, and on Engineering and Manufacturing. All types of FE providers can apply for funding and the deadline for applications is July 27. Further details can be found at:

<http://www.et-foundation.co.uk/supporting/support-teacher-recruitment/taking-teaching-further/>

And an application form can be downloaded from the link below:

<http://www.et-foundation.co.uk/takingteachingfurther>

£34 MILLION FUND TO HELP ADDRESS CONSTRUCTION SKILLS SHORTAGES

In response to the chronic shortage of housing in the UK, the government has committed itself to building 300,000 new homes a year by the mid-2020s. £34 million has been allocated to addressing construction skills shortages. This is divided up as follows:

- £22 million will be used to establish 20 on-site construction training 'hubs' around the country.
- £5 million is earmarked for a separate construction training programme in the West Midlands.
- £7 million of the will be used to pay for further training of adults in the construction sector and to cover the scheme's administration costs.

The first £22 million being made available for the establishment of construction training hubs will be managed by the Construction Industry Training Board (CITB), which has now invited expressions of interest from employers, housing associations, Local Enterprise Partnerships (LEPs), local authorities and other interested parties (including FE colleges). Trainee access to live construction projects is an essential condition for any bid to qualify for funding. More information can be found at:

<https://www.citb.co.uk/funding/types-of-funding/structured-fund/construction-skills-fund/>

LEARNER BEHAVIOUR AND ATTITUDES MAY BE GRADED IN FUTURE OFSTED INSPECTIONS

Speaking at the recent Association of Employment and Learning Providers (AELP) conference, Ofsted's Deputy Director for FE and Skills, Paul Joyce, said that consideration was being given to including a grade for 'learner behaviour and attitude' in college inspection reports. He went on to say that it was important for students to develop 'the right attitudes and behaviours to prepare them for their next steps, be that to employment, for progression to further training or to higher education or for independent living'. Ofsted Chief Inspector, Amanda Spielman, seemed to reinforce this when she told attendees at the recent Festival of Education that she wanted to see behaviour 'get the attention it deserves' in the next framework for the inspection of schools and colleges.

OFSTED CONSIDERS WHY WHITE WORKING-CLASS YOUNG PEOPLE 'FALL BEHIND'

Ms Spielman also told Festival of Education attendees that a debate was under way about 'why white working-class young people fall behind'. Her comments follow recent criticism from head teachers that Ofsted is unfair on pupils in schools from poor white areas and that school performance tables unfairly stigmatise schools based in these areas. Ms Spielman acknowledged that 'many working-class communities have felt the full brunt of economic dislocation' and that schools in these areas often 'struggle with teacher and leadership recruitment'. She said, 'We can't pretend that Ofsted judgements are not lower... in areas with a high proportion of white working-class children' but went on to say that it was Ofsted's job to 'report without fear or favour on school performance' and that 'schools had to be graded on overall standards rather than effort'. She then said that white working-class children can often 'lack the aspiration and drive seen in many migrant communities'. Ms Spielman's predecessor, Sir Michael Wilshaw, who has been a speaker at the Festival of Education in previous years has also suggested in the past that while 'immigrant families care about education, they value education, they support their children', there were white working-class communities 'where parents don't care', with 'less than 50% bothering to turn up at parents' evenings'. By way of contrast, the Festival of Education is held every year at Wellington College in Berkshire. The college is a private school and part of the exclusive Rugby Group of Independent Schools, which includes amongst others, Harrow, Shrewsbury and Charterhouse.

It has been suggested that perhaps the first question to be considered should not be *why* white working-class young people 'fall behind' but whether, like the economically deprived areas they live in, they have been 'left behind'. To paraphrase Ms Spielman, many white working-class communities have 'felt the full brunt of economic dislocation' and some believe that this is because no mainstream political party has, perhaps until very recent times, for a long period deemed the interests of the white working class to be a sufficiently high priority to make it worth their while to fight for. Some politicians have even refused to accept that there is any such thing as a 'working class'. And it could be argued that comments such as those made by Sir Michael Wilshaw are typical of what Owen Jones in his book '*Chavs*', calls the 'demonisation' of the white working-class, and that the sense of alienation and political neglect that this helps induce is one of the main reasons why so many are being drawn towards supporting so-called populist and far right groups.

MORE STUDIO SCHOOLS CLOSE

Rye Studio School and Stoke-on-Trent Studio College for Construction and the Built Environment will close this August, while its sister Stoke-on-Trent Studio College for Manufacturing and Design Excellence will close next year. These are the 24th, 25th and 26th Studio Schools to close (or announce plans to close), leaving just 29 Studio Schools still in existence. The main reasons cited for the closures include difficulties in recruiting a sufficient number of students to be financially viable. With reference to the Stoke-on-Trent schools, a DfE spokesperson said that a number of options had been explored but ministers had decided that since both schools have never operated above 25% capacity, they should close. Meanwhile, another University Technical College (UTC) futuristically called 'UTC@Harbourside' based in Newhaven will close in August 2019 after failing to recruit enough pupil numbers, making it the 9th UTC closure.

TEACHER NUMBERS IN ENGLISH STATE SCHOOLS FALL FOR THE FIRST TIME

DfE data shows that in the period up to November 2016, teacher numbers in English schools increased year on year, but that over the same period the growth in pupil numbers has consistently outstripped the growth in teacher numbers. However, figures published by the DfE at the end of June, show that in November 2017, for the first time there were actually *fewer* teachers in post than in the previous year. The DfE data shows that in November 2017 there 5,100 fewer teacher in post than in November 2016 while in the same year, pupil numbers increased by a further 66,000. Of further concern is that although the data shows that 32,000 trainee teachers were recruited in that year, this was exceeded by the number of qualified and experienced teachers deciding to leave the profession. One of the consequences of this 'churn' is that teachers are increasingly being required to teach subjects that they lack higher-level qualifications in. For example, a third of physics teachers and almost a quarter of chemistry teachers do not have degrees in these subjects. Commenting on the figures, the DfE said that recruiting more teachers was a 'top priority'. DfE teacher number data can be found at:

<https://www.gov.uk/government/statistics/school-workforce-in-england-november-2017>

And DfE pupil number data can be found at:

<https://www.gov.uk/government/statistics/schools-pupils-and-their-characteristics-january-2018>

MOST SECONDARY SCHOOL TEACHERS WOULD NOT ADVISE THEIR HIGH ACHIEVERS TO TAKE AN APPRENTICESHIP

The results of a survey carried by the Sutton Trust published earlier this month (July) has revealed that two-thirds of secondary school teachers would not recommend apprenticeships to their high achieving pupils with good grades. The reasons these teachers gave for this included the following:

- 37% cited a lack of information, split evenly between a lack of information about apprenticeships in general, and details about specific available options.
- 14% cited negative views about apprenticeship quality.
- 58% said a university education was 'superior' to an apprenticeship.
- 28% said that going to university offered pupils better career prospects.
- 16% said that high achievers expect to go university.
- 14% said that their school expected high achievers to go to university.

Interestingly, the same survey shows that 64% of 11-16-year-olds would prefer to undertake an apprenticeship rather than go to university if the option was available in their desired career. Further details of the research findings can be accessed at:

<https://www.suttontrust.com/research-paper/apprenticeship-polling-2018/>

MINISTER WARNS UNIVERSITIES AGAINST RUNNING LOW QUALITY COURSES JUST TO GET 'BUMS ON SEATS'.

Speaking at the launch of the *2017 Annual Survey of Student Perceptions* carried out by the Higher Education Policy Institute (HEPI), Universities Minister for England, Sam Gyimah expressed concerns that some universities were offering 'threadbare' degrees that offer very little in terms of the future job outcomes, and urged universities to 'work harder at ensuring the quality and relevance of all their courses'. With no cap on recruitment and fees of £9,250 a year paid up front on behalf of students through the Student Loans Company (SLC), Mr Gyimah said that for any future courses, universities should be thinking 'Do I just want to expand (and increase our income from fees) or is this really about offering a high-quality degree that students will benefit from?' A copy of the HEPI survey findings, which amongst other things, shows that only 38% of students though their course was good value for money, can be found at:

<http://www.hepi.ac.uk/2018/06/07/turning-corner-value-money-2018-hepi-advance-student-academic-experience-survey-highlights-students-belief-value-money-higher-education-improving/>

UNIVERSITIES RISK LOSING THEIR CREDIBILITY BECAUSE OF 'ROCKETING GRADE INFLATION' SAYS NEW REPORT

The think tank 'Reform' has produced a report claiming that there is 'rocketing grade inflation' in respect of the degrees being awarded by universities. Amongst other things, the report says that:

- The proportion of first-class honours degrees awarded almost doubled between 1997-2009 and has increased by a further 26% since 2010. In more than 50 universities, the proportion of first-class honours degrees awarded has doubled since 2010. Last year more than 40% of students at the University of Surrey graduated with a first-class honours degree.
- Since 1995 the proportion of upper second-class honours degrees awarded rose from 40% to 50%
- 75% of students now achieve a first or upper second-class honours degree, compared with 47% in the mid-1990s.

The report warns that, although universities 'may think easier degrees and higher grades are a way to attract more students, eventually these degrees will lose currency' and goes on to say that a more robust approach to quality would mean 'better value for money for the £18 billion that universities receive each year in tuition fees'. The report also calls for national tests to be set to establish degree grade benchmarks and suggests that only the top 10% of students should be awarded first class honours degrees. As might be expected, vice-chancellors dismiss the report's findings and claim that degree standards and quality have actually increased. They also argue that a standardised approach would mean that universities would lose their ability to decide what their students should be awarded and this would threaten their independence. Commenting on the report, the Secretary of State for Education in England, Damian Hinds, agreed that universities 'needed to act to protect the value of their degrees'. A copy of the Reform report, entitled '*A Degree of Uncertainty*', can be downloaded via the link below:

<http://www.reform.uk/publication/a-degree-of-uncertainty-an-investigation-into-grade-inflation-in-universities/>

ENGLAND'S HE TUITION FEE SYSTEM 'RIPS OFF STUDENTS' AND 'GIVES TAXPAYERS POOR VALUE FOR MONEY'

An investigation by the cross-party House of Lords Economic Affairs Committee has revealed evidence that the SLC's student loan book is likely to grow to more than a £1.2 trillion. In their report, committee members accuse the government of using the loan system as an 'accounting trick' to conceal the real cost of higher education and to 'produce the fiscal illusion of a reduction in the government's budget deficit'. The report of the investigation says that the current student loans system is 'deeply unfair' and that with the substitution of maintenance grants for maintenance loans, the poorest students are likely to leave university with the highest level of debt. It also says that the current repayment system is more expensive for people in middle income jobs such as nursing or teaching, rather than high-paid lawyers or financiers, who would pay off their debts more quickly. The report calls for 'immediate reforms', such as cutting the high interest rates on repayments and restoring grants for disadvantaged students. Commenting on the report, committee chairman and former Conservative minister, Lord Forsyth, said that members were alarmed at the huge debts facing future generations. He said that this had 'all been done because the government wanted to create a market in higher education' but went on to say that this had failed because 'there isn't a market and there is no meaningful consumer choice or competition'. He also dismissed the Teaching Excellence Framework (TEF), as a 'bit of a joke because no-one ever turns up to look at the teaching'. Turning to vocational provision, Lord Forsyth said that there is 'clear evidence that what the economy needs is more people with technical and vocational skills, but the way that the funding operates makes it pretty well impossible for us to meet that demand' and the report warns of consequences of the collapse in part-time HE and adult learning, and the lack of funding for vocational training. In addition, the report says that the apprenticeship system 'has been damaged by artificial targets invented to sound impressive for a party manifesto promise', but which instead has 'encouraged quantity rather than quality'. A copy of the report, entitled '*Treating Students Fairly: The Economics of Post-School Education*', is worth a read if you can spare the time, and can be found at:

<https://publications.parliament.uk/pa/ld201719/ldselect/ldconaf/139/13902.htm>

FE COLLEGES PERFORM WELL IN LATEST TEACHING EXCELLENCE FRAMEWORK (TEF) GRADINGS

The TEF was introduced to measure excellence in teaching quality and student (rather than 'learner') outcomes in institutions offering higher education programmes. These will mainly be universities, but also include round 90 FE colleges that also deliver HE provision. 45 of these were included in this year's TEF ratings. A definition of the different ratings that can be achieved is as follows:

- Gold: Consistently outstanding teaching, learning and outcomes for its students. It is of the highest quality found in the UK.
- Silver: High quality teaching, learning and outcomes for its students. It consistently exceeds rigorous national quality requirements for UK higher education.
- Bronze: Delivering teaching, learning and outcomes for its students that meet rigorous national quality requirements for UK higher education.
- Provisional: For providers that meet rigorous national quality requirements but which do not yet have sufficient data to be fully assessed may opt-in for a provisional award.

Of the FE colleges assessed, 2 were awarded gold status, 24 were awarded silver status, 15 were awarded bronze status, while four received a 'provisional' rating, valid for one year. At least one FE college achieved a higher TEF rating than the university that validated its HE programmes. TEF awards are decided by an independent panel of experts comprising students and academics. In arriving at a college's rating, the panel draw on national data, along with evidence submitted by each university or college. As mentioned by Lord Forsyth in the section above, the process for grading teaching excellence does not actually involve any observation of teaching, possibly because universities wouldn't like it, or wouldn't even allow it.

TES SCRUTINISES INDEPENDENT TRAINING PROVIDER (ITP) SALARIES

It has been common in recent years for the salary of college principals to be subject to scrutiny. This is on the basis that colleges are in receipt of significant sums of public funding from the ESFA. Recently available accounts show that in 2017/18 many ITPs are also in receipt significant amounts of public money income from the ESFA. An analysis of their most recent accounts by Times Educational Supplement (TES) suggests that growth in their ESFA income has tended to be accompanied by a corresponding growth in the salaries paid to chief executives and other directors. For example, BCTG Ltd, which in 2016 was graded by Ofsted as 'requires improvement', received more than £17.7 million from the ESFA in 2017/18 and in the year up to the end of March 2017, paid its highest paid director a remuneration package worth £1,015,633. Salaries of £200,000-£400,000 were also much in evidence. Even Learndirect (now under new ownership) which although rated 'inadequate' by Ofsted in August 2017 still had an ESFA income for the year of £70 million, managed to pay £264,000 to its highest paid director. An AELP spokesperson argued that ESFA funding was not the only income stream for many independent training providers, but the same could be said of many FE colleges. In the meantime, it seems unlikely that the DfE will be writing to the boards of ITPs asking them to justify chief executive and senior management salaries in excess of £150,000 per year. More information regarding the TES analysis can be found at:

<https://www.tes.com/news/training-providers-salaries>

AND NEARLY FINALLY...

It could be argued if government bureaucrats had been set the task of designing a new further education system from scratch, they would have been hard pressed to come up with one that is more complex, chaotic, dysfunctional and chronically underfunded than the one we have today. Despite this, the FE sector in all its guises remains vital to local and regional economies, and is particularly important for those people who have not benefitted much from their formal education. One of FE's many strengths is that it remains stubbornly resilient, no matter what is inflicted on it by successive governments. But never has an educational sector been expected to do so much, for so many, for so little.

In a way that is a bit difficult to put your finger on, the following story seems vaguely suggestive of what some now see as the disjointed relationship between FE and the government.

Having heard tales ending in 'and pigs might fly', a pig decided that he would quite like to fly too. He had no idea how to go about this so he went to seek the advice of a wise old owl. The pig knew that the wise old owl was usually to be found perched on a particular branch of a particular tree in a nearby wood. So the pig went into the nearby wood and found the particular tree and looked up at particular branch and there, perched on it was the wise old owl. 'Wise old owl', said the pig, 'I have come to you to ask how I, a pig, might fly'. The owl sat silently for a while considering this question, and then looked down at the pig and said, 'The solution is simple. Go away and grow some wings'. So the pig went away to grow some wings. But after some time, the pig found that he couldn't grow any wings. So he went back to see the wise old owl and said, 'Wise old owl, I have tried and tried, and tried again, but I have been unable to find a way to grow wings'. The owl sat on his perch in silence for a while, but then he looked down at the pig and said, 'Why are bothering me with this? I just do strategies. Tactics are your problem'.

AND FINALLY...

We are coming to the end of yet what has been for many in the sector another stressful and depressing year for FE and this will be the last **Click** newsletter before September. But having said this, if news of any significance to the FE sector should emerge between now and then, a supplement and/or update will be circulated in August (whether you want it or not). In the meantime, all at **Click** hope that you and yours will have a good summer break and that you will be sufficiently refreshed to cope with the inevitable challenges of the next academic year.

Alan Birks – July 2018

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