

Sector Developments

Happy New Year

From all of us at **Click**, we hope that you all had a restful break over the Christmas period. As we enter the new year, despite the 'less-worse' than expected spending review settlement, the English FE sector will still face huge challenges over the coming months. These include:

- The consequences of implementing the recommendations arising from area reviews.
- Increased competition from schools for 16-18 funding as more free schools, university technical colleges, academies etc open, and more LEA maintained schools establish their own sixth forms.
- More fragmentation of the FE sector, as sixth form colleges begin to convert to academy status.
- The replacement of 19+ FE grant funding with FE loans.
- The creation of more National Colleges.
- Increased competition from universities for HE funding, as the cap on HE recruitment is lifted.
- The devolution of FE capital funding and the non-apprenticeship element of the Skills Funding Agency (SFA) adult skills budget to Local Enterprise Partnerships (LEPs).
- Increased pressure from the UK government for colleges to deliver more apprenticeships and traineeships, whilst at the same time losing apprenticeship funding to employers.
- Increased competition from employers with their own training facilities, and from private trainers.
- New inspection, performance measurement and audit requirements.

Sadly, there seems to be no end to the number of new curriculum initiatives, and funding and regulatory changes being imposed on the FE sector, along with relentless pressure on colleges to do more for less.

PAC publishes its report on the financial sustainability of the English FE colleges sector

The House of Commons Public Accounts Committee (PAC) has published its long awaited report entitled '*Overseeing financial sustainability in the Further Education sector in England*'. The report says that the financial health of the English FE sector is 'deeply worrying'. The report also says that too many colleges were 'cancelling courses, not hiring staff and postponing investment plans' because they were struggling financially, and that the 'substantial challenges facing colleges' had been added to by 'late funding decisions'. The number of different agencies that provided FE funding was 'confusing' and there was a need for more clarity over who would take charge of intervention if a college was in financial difficulties, particularly 'in cases where earlier intervention could have prevented problems from escalating'.

Commenting on SFA forecasts predicting 70 FE colleges are likely to be rated as financially inadequate by the end of the current academic year, the report concludes that the sector is at risk of 'financial meltdown'.

The report also says that the UK government appears to see area-based reviews in England as a 'fix-all solution to the sector's financial problems', but warned that it was 'far from clear how the reviews will deliver a robust and financially sustainable sector', and expressed concerns that the reviews were not 'sufficiently comprehensive'. (Particularly since post-16 provision delivered by school sixth forms and private training firms are not included in the process). During the PAC evidence sessions, Education Secretary for England, Nicky Morgan was asked whether it was the UK government's aim to make savings through area review process. Ms Morgan responded by saying that the process 'had not been set up in order to save money', but instead was 'intended to help ensure sustainability of FE institutions'. Against this, Martin Donnelly, Permanent Secretary at the Department of Business, Innovation and Skills (BIS) told PAC members 'I think it's pretty clear that the number of FE colleges is likely to continue to decrease'. He went on to say that 'there was no target', but that his personal view was 'that there will be significantly fewer of them'. With reference to levels of college indebtedness, Martin Doel, the Association of College (AoC) chief executive told PAC members that colleges' debts 'were manageable, and were more than matched by assets', but that there was 'a small minority of colleges with unsustainable debt', adding that it was 'government policy up until 2013 was to encourage colleges to borrow more to invest in their buildings'.

Commenting on the report's findings, PAC chair, Meg Hillier MP, called on the UK government to 'act now to ensure FE is put back on a stable financial footing'. In response, Skills Minister for England, Nick Boles said that the government had 'protected funding for further education colleges' in the recent spending review, and had 'supported a range of measures to promote skills and training, including increased spending on apprenticeships, protecting core adult skills budgets and creating five new national colleges'.

A copy of the PAC report can be accessed via the web link below:

<http://www.publications.parliament.uk/pa/cm201516/cmselect/cmpublic/414/41402.htm>

PAC criticises sub-contracting

Sub-contracting came in for very strong criticism in the report, with PAC chair, Meg Hillier describing the process as 'an outrageous leeching of taxpayers' money' and accusing contractors of 'just being conduits' and 'not delivering any public service'. FE contractors were accused of retaining 'tens of millions of pounds' in government funding for training that they then sub-contracted to other organisations to deliver. SFA data shows that in 2014/15, the 26 largest contractors had collectively retained £66 million (or 22%) of the funding they had received for provision that they had subsequently contracted out. Critics argue that if these practices were to be replicated across the whole FE sector, as much as £1 billion of government funding would have been diverted from front-line delivery. This has prompted an angry Ms Hillier to say that she would be asking the National Audit Office (NAO) to investigate the matter.

SFA 2016/17 Grant Letter

A copy of the SFA grant letter for 2016/17 was received in mid-December (around two months earlier than the letter in 2015/16). The letter specifies the funding the SFA can expect to receive from the Treasury in 2016/17 to allocate to FE providers, along with the UK government's priorities for its expenditure. The main elements within the grant letter include the following:

- The core adult skills participation budget (outside of the costs of apprenticeships) will be protected in cash terms, at £1.5 billion. This will form the new 'Adult Education Budget' (AEB). However, there will no longer be a separate Adult Community Learning (ACL) budget or a Discretionary Learner Support (DLS) budget, both of which will be subsumed within the new AEB.
- Existing entitlements to free FE tuition will continue (costing around £800 million). Students aged 19-23 year studying for their first Level 2 and 3 qualifications will continue to be eligible for this.
- Loans will be extended to 19 year olds taking Level 3 and Level 4 qualifications and to any adult taking eligible Level 5 and 6 qualifications. Depending on actual demand, BIS spending on FE loans is expected to rise from £202 million in 2015/16 to £480 million in 2019/20.
- Spending on apprenticeships will rise significantly from £740 million in 2015/16 to £1,422 million in 2019/20. A large increase in apprenticeship funding is planned for 2016/17 (implying that growth funding for apprenticeships should be available, both for the current financial year and for 2016/17).
- Concerns continue to be expressed about sub-contracting (see above) and the grant letter asks for an SFA report on this by the end of March 2016.

However, there were some unexpected elements within the grant letter. For example, co-funding for work-based provision will cease with effect from 2016/17. The SFA currently pays for around half of the cost of non-apprenticeship and non-English and mathematics courses delivered in the workplace, with employers expected to meet the remaining costs. However, the removal of co-funding means that employers will be expected to meet the *whole* of the cost of these courses. The letter says that the funding released by this (around £50 million) can be used to 'deliver more provision for priority learners'. A copy of the 2016/17 SFA grant letter can be accessed via the link below:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/485969/BIS-15-615-skills-funding-letter-2016-to-2017.pdf

Education Funding Agency (EFA) 16-18 Grant Letter

The EFA grant letter was circulated earlier this month (January). The letter indicates that only marginal changes to the funding formula will be made, and confirms that FE colleges, sixth form colleges and school sixth forms in England will be paid for the 16-18 provision they deliver at the same rate as last year. The national base rate for 16 and 17 year olds remains at £4,000, and for 18 year olds it remains at £3,300 (17.5% less). Funding rates for disadvantaged students, for those without a Grade C in GCSE English and mathematics, and for those taking higher cost courses, also remains the same as last year. The biggest determinant of a college's income for 2016/17 will therefore be its actual student numbers in 2015/16.

Against this, the letter says that there will be cuts in the 'formula protection grant' and in 16-18 financial support, which the EFA says is necessary in order to meet the £160 million savings required by the UK

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government as part of the November spending review. In addition, the DfE has announced that £15 million will be cut from the discretionary bursary fund for free meals for disadvantaged English FE college students. FE and sixth form colleges in England will also be required to meet the cost of implementing new technical qualifications (eg the new 'Tech Levels' and 'Technical Baccalaureates'), new GCE A Levels and the delivery of post-16 mathematics and English for 16-18 year olds without a GCSE Grade C in these subjects, from within their existing resources, meaning that costs will continue to rise while income remains, at best, static. A copy of the EFA grant letter can be accessed via the following link:

<https://www.gov.uk/government/publications/16-to-19-funding-funding-for-academic-year-2016-to-2017>

FE Commissioner's annual report 2014/15

The FE Commissioner for England, the recently knighted Sir David Collins, has published his 2014/15 Annual Report. Amongst other things in his report, Sir David says that during the year, formal interventions had ceased in twelve colleges, but six colleges had been placed in 'administered college' status. Characteristics of colleges that required the Commissioner's intervention included the following:

- **Governance:** Weak governance had contributed 'significantly' to problems in respect of financial health and quality of provision. Examples of this included a failure by governors to hold the principal and senior management team to account, and a failure to question why forecasts had not been met. In some cases 'cost benefit and risk analyses of new proposals had not been adequately carried out', and this had resulted in 'a significant and largely unnecessary budget deficit'. Other examples of weak governance included 'an absence of appropriate skills, and poor attendance'.
- **The Role of the Clerk:** Examples of weak clerking arrangements included a failure to organise 'effective governor training' and a 'robust governor appraisal process', and failure to carry out 'detailed governor skills audits'. Minutes of meetings were often described as 'inadequate', suggesting that 'there had been only limited debate and discussion of issues'. In some cases, there was a 'potential conflict of interest' because the clerk 'had significant college management responsibilities in addition to performing the duties of clerk to the corporation'.
- **Quality Improvement:** Factors that had prompted intervention included 'student attendance and retention being well below the national average' and 'inadequate initial advice and guidance'. In some cases problems had been arisen because 'subcontracted provision had not been monitored effectively'.
- **Financial Health:** The report said that overall it was 'often a combination of factors rather than one issue that causes a college to be in financial difficulty'. While there was some acknowledgement of the impact of cuts in funding and other government initiated changes, the report said that 'the majority of providers have managed to adjust effectively' and that inadequate financial health had usually been caused by things such as 'small class sizes, excessive numbers of managers and support staff, poor utilisation of teaching staff and estates issues'. Other causes of poor financial health included 'a lack of regular reports on the financial contributions made by each curriculum area' and 'ambitious growth strategies that have produced returns in the past, but have caused a false sense of security and allowed riskier projects to be undertaken without the appropriate scrutiny and challenge'. The report also says that the standard of auditing had been "disappointing". Boards frequently 'felt let down by receiving relatively clean bills of health from their auditors when in reality there were serious underlying problems'.
- **Leadership and Management:** Intervention almost inevitably results in a change in leadership. However, new senior management teams put in place were often 'struggling to deal with the problems they had inherited' (eg unsustainable levels of debt) and it was important that reasonable timeframes were set for new teams to meet recovery targets. In addition, 'training and support should be made available for new management team members', (particularly 'those recruited from industry or commerce').

With reference to the area review process, Sir David's report says that 'the creation of fewer, larger and more specialised institutions' will be 'especially significant for weaker colleges'. A copy of the report can be accessed via the link below:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/375383/bis-14-1209-further-education-commissioner-annual-report.pdf

Survey claims that 85% of FE staff are actively considering quitting their jobs

Meanwhile, a recent survey carried out by the Association of Teachers and Lecturers (ATL) suggests that:

- 85% of FE staff are actively considering leaving the profession. Some respondents referred to the

deterioration of pay and conditions relative to staff employed in the school sector, while others said that the stress of heavy workloads was having a negative impact on their health.

- 77% of FE staff felt their workload 'was not manageable'.
- 80% said they didn't have the time needed to update their subject knowledge or skills.
- 48% said they *never* took a break of at least 40 minutes during the college day.

Responding sympathetically to the research findings, a BIS spokesperson said that 'as independent institutions it is a matter for colleges to decide how they manage their staffing arrangements'.

'English Apprenticeships: Our 2020 Vision'

The Department for Education (DfE) and BIS have published '*English Apprenticeships: Our 2020 Vision*', (which is basically the UK government's five-year plan for achieving an additional 3 million new apprenticeships by the end of the current parliament in 2020). The main elements include the following:

- Firms bidding for public procurement contracts over £10 million and of more than 12 months in duration will, in future, have to specify how they will contribute to meeting the apprenticeship target.
- From April 2017, all apprenticeships standards and assessment plans will need to be submitted to the new Institute of Apprenticeships.
- From April 2017, the term 'apprenticeship' will be legally protected. Providers whose programmes do not meet the statutory definitions and requirements will be prohibited by law from using the term.
- National Insurance contributions for apprentices aged under 25 will cease from April 2016.
- Apprenticeship funding will be transferred to employers, and to help them make an informed decision about where the money is spent, the SFA will maintain a Register of Training Organisations (RTO) and a Register of Apprenticeship Assessment Organisations (RAAO). Employers are free to select any organisation from these registers to deliver the training and assessment they need for their apprentices.
- Training providers and assessment organisations must provide information about their organisational viability and how they quality assure the products and services they offer.
- The replacement of existing apprenticeship standards with the new 'Trailblazer' standards is being 'slowed down'. The original intention was that all new apprenticeship starts in 2017 would be on new Trailblazer standards, however there will now be an as yet unspecified longer 'switchover period'.
- The employer apprenticeship grant will continue until 2016/17. The existing (and relatively generous) Trailblazer funding model will also continue 'until the new digital system is fully in place'.
- The new Digital Apprenticeship Service will be available in pilot form from April 2016 and the new online portal will be rolled out from October. The portal is intended to help employers to 'select the most appropriate apprenticeships, choose the right training provider, and to pay for apprenticeship training and assessment' more easily.
- Outcome-based success measures for apprenticeships will be introduced from 2016/17, and from January 2018 performance tables will feature 16-18 apprenticeship results.
- The government has a set a target for 2.3% of the workforce of public sector organisations to be apprentices. (For example, in order to meet this target, the Department of Health will be required to achieve a six-fold increase in NHS apprenticeship starts over the next five years). Although not exempt from paying the levy, because the status of FE as being part of the 'public sector' is open to legal interpretation, it now appears that FE colleges may exempt from having to meet the 2.3% target

A copy of the '2020 Vision' document can be accessed via the link below:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/482754/BIS-15-604-english-apprenticeships-our-2020-vision.pdf

New Apprenticeship Delivery Board established

A new Apprenticeship Delivery Board (not to be confused with the Institute of Apprentices) has been set up to advise ministers on how reach the UK government's target of creating 3 million apprenticeships by 2020. The new board will be jointly chaired by Nadhim Zahawi, MP for Stratford-upon-Avon, and 'apprenticeship champion' David Meller. Other members of the board are: David Abraham, chief executive of Channel 4, Mike Thompson, head of apprenticeships at Barclays, Rami Ranger, chairman of Sun Mark, Melanie Hayes, resourcing and development director at Compass Group, Simon Blagden, non-executive chairman of Fujitsu and James Wates, chairman of Wates Construction. The composition of the board has already been criticised for the lack of any representation of small and medium size enterprises (SMEs).

Claim that National Occupational Standards (NOS) for apprenticeships are being by-passed

National Occupational Standards (NOS) for apprenticeships have been 'developed for employers, by employers, through the relevant Sector Skills Council (SSC) or Standards Setting Organisation' (SSO). They are the 'statements of the standards of competence individuals must achieve', together with the 'underpinning knowledge and understanding'. However, speaking at a recent conference, Nigel Whitehead, the UK government's adviser on apprenticeships in England, said that the Trailblazer apprenticeship approval process 'often resulted in the agreed National Occupational Standards (NOS) for apprenticeships being by-passed'. He went on to say that his 'honest appraisal' was that 'the Trailblazer process was out of control'. Perhaps with the intention of playing down the significance of Mr Whitehead's allegations, a spokesperson for BIS drew attention to research carried out by the soon to be defunct UK Commission for Employment and Skills (UKCES), of which Mr Whitehead is a member, which revealed that 'only 5% of employers had a good knowledge of NOS', while '44% of the economy was not even covered by NOS'.

Ofsted Chief Inspector calls for better employer-based apprenticeship recruitment

Speaking at the recent British Chambers of Commerce (BCC) Business and Education Summit, Ofsted Chief Inspector for England, Sir Michael Wilshaw expressed his support for the apprenticeship levy, and called on employer groups such as the BCC to 'take ownership' of local apprenticeship recruitment. Sir Michael said that a 'joined-up approach' was needed to help small and medium-sized enterprises engage with apprenticeships and to help 'identify where the skills gaps are'. He went on to query why the BCC was 'not working with the Confederation of British Industry (CBI) to identify the needs of different regions'. Responding to Sir Michael's speech, a spokesperson for the BCC, said that in 2014 the BCC had 'brokered and delivered over 5,000 apprenticeships'. The CBI declined to comment.

CBI Director General says that the apprenticeship levy will place jobs at risk

Speaking at the launch of the publication of the latest CBI/Accenture Employment Trends Survey (entitled '*The Path Ahead*'), the new Director General of the CBI, Carolyn Fairbairn, argued that the imposition of the apprenticeship levy was a 'significant extra payroll tax on business'. She went on to warn that companies 'already had to deal with the costs of paying a higher national living wage from this April, along with higher pension costs', and that as a result, it was 'inevitable' that levy 'will result in significant job losses in some sectors' (eg retail). The CBI/Accenture survey was carried out between August and October 2015 and responses were received from 342 firms that collectively employ around 1 million people. Despite the concerns above, the survey findings showed that:

- 25% of firms plan to increase their recruitment of apprentices in 2016
- 6% of firms plan to reduce their recruitment of apprentices in 2016
- 35% want to see employers given greater control over the levy
- 16% believe the apprenticeship levy is the 'right approach to address the UK's skills challenges'
- However, 47% expect the levy administrative process to be 'costly and bureaucratic'.

Charities also express concerns about the apprenticeship levy

Some large charities with annual payrolls in excess of £3 million have also expressed concerns about the apprenticeship levy, including worries that levy funding raised from the charities sector might be used to support apprenticeship places in the private sector. As a result, the 'Charity Finance Group (CFG)' has called on Nick Boles to exempt large charities from having to pay the levy or, failing this, for levy funds raised from large charities to be earmarked for the charities sector. The CFG says that 'around 1,200 charities will be subject to the levy, costing them around £70 million a year' and that, at the very least, the charities sector should be given representation on the new Institute of Apprenticeships board.

Inadequate' or 'requires improvement' providers to be allowed to deliver Traineeships

Currently, only providers judged by Ofsted as 'good' or 'outstanding' can deliver Traineeships (although curiously, these providers can subcontract to other providers judged as 'requiring improvement'). The government has now announced that from 2016/17, providers judged by Ofsted as 'requiring improvement', and even those judged as 'inadequate', will be able to deliver traineeships directly. The lifting of the restriction was revealed in both '*English Apprenticeships: Our 2020 Vision*' (see above) and in Nick Boles' letter to chairs and principals on 2 December, entitled '*Implementing the FE and skills reform programme: BIS/DfE brief on progress for FE governors and leaders*'. It is thought that the change is primarily intended to help achieve an increase on the 'disappointing' number of Traineeship starts thus far. A copy of Mr

Boles' letter to 'FE governors and leaders' can be accessed via the link below:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/482936/BIS-Nick-Boles-ministers-termly-letter-policy-annex-December-2015.pdf

New government sub-committee to conduct an inquiry into careers advice and guidance

A new joint sub-committee of the House of Commons BIS and Education Select Committees called the 'Education, Skills and the Economy Committee' has been established, and is jointly chaired by Iain Wright, MP (who is chair of the BIS Select Committee) and Neil Carmichael, MP (who is chair of the Education Select Committee). The new sub-committee's first task is to conduct an inquiry into careers advice, information and guidance in England and, in particular, on progress made since the publication of the 2013 Education Select Committee report '*Careers guidance for young people: The impact of the new duty on schools*'. The inquiry will cover issues such as the 'quality and effectiveness of careers advice in supporting people into apprenticeships', 'the potential for employers to play a greater role in careers advice', and 'the role of the new Careers and Enterprise Company (CEC) and its relationship with other bodies such as the National Careers Service (NCS)'. The sub-committee will also be questioning Nick Boles on his role as a joint Minister in the DfE and in BIS, and 'how effectively two departments work together'.

Nick Boles' termly letter to college leaders

Last month (December), Nick Boles circulated his termly letter to chairs and principals of FE and sixth form colleges in England. In his letter, Mr Boles said that in 2015/16, colleges took up around one-third of the government funding allocated for apprenticeships, with the remainder being taken up by private trainers, and goes on to say that that colleges should be looking to take up two-thirds of a much larger funding allocation. Mr Boles described the outcome of the spending review as 'a good settlement for the sector', but warned that further savings for 2016/17 and 2017/18 would be needed (although no details were given as to where these savings would be made from). Mr Boles said colleges needed to 'diversify' and to be 'less reliant on government funding' if they were 'to remain sustainable into the future'. He went on to say that area reviews had already identified 'considerable difference in efficiency across sector', and that there was 'scope for higher quality FE to be delivered at a lower cost'. Because school sixth forms are not included within the area reviews Mr Boles probably forgot to mention that that DfE data shows that there are 266 schools with sixth forms with less than 100 pupils and another 707 with between 100 and 199 pupils. A copy of Mr Boles' letter to chairs and principals can be accessed via the web link below:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/483640/BIS-Nick-Boles-ministers-termly-letter-December-2015.pdf

New 16-19 'Accountability measures

The DfE and BIS have announced that new 16-19 'Accountability Measures' are to be introduced for schools and colleges in England. The new measures will involve 'a change from attainment to progress based standards'. There will be five headline measures as follows: 'progress', 'attainment', 'progress in English and mathematics' (for those students without a GCSE pass at A*-C in these subjects), 'retention', and 'destinations'. The new system will begin September this year. For students on two-year courses, this means the new measures will apply to those who started their courses in September 2014. The outcomes of the new measures will be reported in the 2016 16-18 performance tables to be published in 2017. The DfE and BIS say that the new measures will 'help provide a rounded picture of provider performance which will be used in a range of ways'. These include: 'informing student choice', 'informing a provider's own self-assessment and benchmarking', 'informing inspection' and 'informing government's performance management of the 16-19 sector'. Intervention will be based on 'value added for academic and applied general qualifications' with 'floor standards likely to be set at -0.6'. Intervention for the new 'Tech Level' qualifications will involve a combined completion and attainment measure with no value added measure. More information on the new measures can be accessed via the link below:

[https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/482225/16 to 19 accountability headline measures technical guide.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/482225/16_to_19_accountability_headline_measures_technical_guide.pdf)

Ofsted inspections could take place at campus level

It is widely expected that the area reviews are likely to result in a smaller number of larger colleges, many of which will operate across several geographical locations. Because of this, Ofsted is considering carrying

out inspections of large college groups at campus or site level. However, Ofsted has been required to reduce its expenditure by £38 million (or 25%) over the next four years as a result of cuts announced in the spending review, and ministers have been told that both new legislation and additional funding will be required if this change is to happen. Ofsted's plans have been welcomed by those who have been lobbying for separate components of college groups to be inspected individually, in a similar way to academies that are part of a chain. For example, the Newcastle College Group (NCG) operates across 142 locations, including three FE colleges, two training providers and a sixth-form college, but under the current inspection framework, all of these are covered by a single Ofsted grade for 'overall effectiveness'. A spokesperson for NCG argued that the group's current Ofsted grade ('good') 'means nothing to a learner in Kidderminster, an apprentice in Southampton or a parent in Skelmersdale'. (Mind you, some cynics might argue that having such a geographically diverse operation might not make all that much sense either).

Sir Michael Wilshaw says that FE is 'inadequate at best'

Speaking at a conference organised by the think tank 'CentreForum' called '*Ambitions for English Education*', Sir Michael Wilshaw launched a scathing attack on FE, saying that 'the education on offer for children who do not do well at age 16, or who do not want to follow an academic route, is inadequate at best and non-existent at worst'. Ever modest, Sir Michael went on to say 'Even when I was head at Mossbourne Academy in Hackney, which had a great academic reputation, 20% of youngsters failed to reach our targets. Most of them went to a local FE college, usually a large, impersonal and amorphous institution, and did badly'. He also said that 'those who fail to achieve the required grades in maths and English at 16 make little or no progress in FE colleges two years later'. Sir Michael's solution for rectifying the failures of FE is to 'create federations of schools, which would include university technical colleges (UTCs)'. These would admit youngsters across the ability range, and (no doubt temporarily forgetting that an apprentice is actually an employee paid by a company and not a school pupil), they would focus on delivering 'apprenticeships at levels 4, 3 and 2'. He was careful to say that these federations should not be seen as 'a dumping ground for the disaffected and cater just for the lower-ability youngsters'.

In response to Sir Michael's comments, the Policy Consortium, a 12 member group representing the FE sector that includes the AoC, Hoxex, the Association of School and College Leaders (ASCL), and the University and College Union (UCU), has sent a letter to Sir Michael that says 'We have looked back at the most recent chief inspector's report, published on December 1, and we find that only 3% of general FE colleges and 3% of independent training providers were graded as "inadequate" for overall effectiveness at their most recent inspection. On the other hand more than three-quarters were rated as either "good" or "outstanding". We would be grateful if you could let us know how to reconcile your recent assertion with the evidence detailed so clearly in your own annual report'. A copy of Sir Michael's speech can be accessed at:

https://www.gov.uk/government/speeches/ambitions-for-education-sir-michael-wilshaw?dm_i=26BG,3ZA8H,HXH45S,EDSAB,1

New legislation proposed to force schools to provide more advice on vocational options

The responsibility for providing careers advice was given to schools early in the last parliament and many independent local careers advice services were scrapped. This prompted what proved to be justified concerns from FE providers, that schools would only offer limited advice on the full range of post-16 options available. In response to these concerns, Nicky Morgan has recently announced that new legislation is to be introduced 'at the earliest opportunity', which will impose a statutory responsibility on schools in England to collaborate with UTCs, FE colleges and private trainers to make sure pupils are made aware of all the post-16 options open to them, including apprenticeships and other vocational options.

Ofqual warns of clamp down on 'non-compliance'

Speaking at a recent conference, Ofqual chief executive Glenys Stacey gave a stern warning to awarding bodies that Ofqual 'had now become a more targeted regulator', and had 'made big investments in its standards, compliance and legal teams'. She went on to say that it was Ofqual's intention to 'clamp down on rogue non-compliance' by awarding bodies and that '40 investigations were currently underway with a view to taking action against those concerned'. Ms Stacey reminded awarding bodies that, with reference to the 'qualifications market' Ofqual not only 'controlled entry to it', it also 'managed exit from it'. She also raised the issue of what she referred to as 'little or no use of qualifications', and advised awarding bodies to 'clear away those products which are either not demanded any more or do not function'.

Geographical location has a significant effect on pupils' success or failure at school

A study carried out by the Social Market Foundation reveals that where a child grows up is now a major factor in determining their success or failure at school. The study, entitled '*Educational Inequalities in England and Wales*', examined primary school test results, and secondary school GCE O Level and GCSE results of cohorts of pupils born between 1970 and 2000. The test results found that regional differences in performance have become much greater. For example, in the mid-1980s, areas such as the South East and East of England had better results than London, but the most recent results show that even the poorer areas of London are outperforming not only the South East, but also the rest of the country, with the weakest areas being the West Midlands and parts of the North East and North West. The study goes on to say that while family background and income remain important, the 'geographic area a child comes from has now become a more powerful predictive factor of success'.

The study does acknowledge that the achievement gap between the richest and the poorest pupils remains 'persistently large' and goes on to say that the gender gap has grown wider, with girls more likely to achieve higher results. With reference to ethnicity, black and Asian children born in 1970 and who took GCE O Levels in 1985/86 achieved results that were considerably below average and well below that of their white counterparts. However, GCSE results for 2013/14 show a much more complex picture. If the black and Asian categories are broken down into more precise ethnic groups, the data indicates that Indian pupils' results were above average, while Pakistani pupils were below average. Results for black African pupils were above average, while for black Caribbean pupils they were below average. Results for white pupils were below average, with the weakest results being achieved by poor white boys. A copy of the report can be accessed via the link below:

<http://www.smf.co.uk/publications/educational-inequalities-in-england-and-wales/>

Recent DfE data reveals more pressure on the availability of school places

Recently published DfE data reveals a big increase in the number of primary school children in England being taught in 'supersize' classes because of a lack of school places. A total of 520,445 children aged between five and 11 are now being taught in classes of at least 31 pupils. Of these, 38,560 are in classes of 36 or more children and 14,824 are in classes with at least 40 children. Shadow Education Secretary for England, Lucy Powell blamed the increase in class sizes on 'the government's obsession with free schools, at the expense of opening other types of school'. Meanwhile, faced with a rapidly growing school age population and the prospect of having to find almost one million extra school places by the end of the decade, the Local Government Association (LGA) has warned the UK government that it 'must be given the powers to open new schools' and 'to force academies to expand' in order to meet the growth in demand.

2016 Examinations to be rescheduled around the Muslim holy month of Ramadan

The 2011 United Kingdom Census showed that the UK Muslim population had almost doubled since the previous Census in 2001. In 2011, 2,706,066, (or 4.5% of the total UK population) were Muslims, the vast majority of whom (2,660,116) lived in England. The 2011 data also showed that, in England, around 10% of all children age aged 4 and under, and around 8% of children aged between 5 and 15 were Muslim. Current fertility rate data between Muslim and non-Muslim women (3.0 compared with 1.8) suggests that the proportion of school age children who are Muslim will continue to rise for the foreseeable future and in many inner-city schools and colleges, Muslim pupils and students are already in the majority. Because of these demographic changes, the issue of school examinations falling during Muslim holy month of Ramadan has become much more significant. This is because during Ramadan, Muslim pupils and students are expected to fast during daylight hours and attend services at mosques late at night, giving rise to concerns that less sleep and lower levels of energy will disadvantage young Muslims who are taking examinations during this period. Following discussions with representatives Muslim groups, the Joint Council for Qualifications (JCQ) for England and Wales, has agreed that all large-entry GCSE, A-level exams and other examinations will be rescheduled this year, and for at least the next two years. The decision has generally been supported within the education sector. For example a spokesperson for the Association of School and College Leaders (ASCL), said that 'it was important to ensure young people are able to observe Ramadan without any detrimental impact on their examinations'.

New measures announced to help Muslim women learn English

In a recent statement, David Cameron said that 'more assertive action is needed to tackle discrimination

against Muslim women and their segregation in some UK communities'. To assist with this, (and ironically just a few months after his government withdrew £45 million of government funding for ESOL courses) he has announced that £20 million is to be made available for language classes for the estimated 190,000 (or around 22%) of Muslim women in England who speak little or no English. He also warned that 'it is the responsibility of migrants to improve their English language skills if they want to extend their stay in the UK or seek citizenship', and that 'while there were no plans to remove people who fail to reach a required level', language skills will be 'taken into account when people request a visa extension or apply for permanent residence in the UK'. Mr Cameron also argues that empowering Muslim women by improving their English language skills will also help to 'combat radicalisation' and help prevent 'appalling practices such as female genital mutilation and forced marriage'. However, the Muslim Council of Britain has criticised the measure, saying that it were 'based on fuzzy conceptions of British values', and Dal Babu, a former chief superintendent with the Metropolitan Police who now works with families whose children have gone to fight with Islamic State said that conflating the issue of learning English with stopping radicalism and extremism was unhelpful.

In a further measure designed to help integration and to help Muslim women 'to confront men who exert damaging control over their wives, sisters and daughters', Mr Cameron has also announced that there will be a UK government review of the role of Sharia courts, including an examination of the extent to which some of their rulings discriminate against women (e.g. in divorce settlements and in matters of inheritance). A copy of Mr Cameron's statement on these matters can be accessed via the link below:

https://www.gov.uk/government/news/passive-tolerance-of-separate-communities-must-end-says-pm?dm_i=26BG,3ZA8H,HXH45S,EDSAB,1

'Educate against Hate'

Following revelations that in the period between 2012 and 2015, around 250 people a month (including a total of almost 2,000 young people under the age of 15) had been referred to the 'Channel' de-radicalisation programme, the UK government has launched a further new initiative to help combat extremism, called '*Educate against Hate*'. The new initiative includes a number of new measures to help prevent young people from 'falling under the spell of twisted ideologies'. These include the following:

- A new website has been created that will (amongst other things) provide parents and teachers with advice on how to recognise the 'warning signs of danger', how to keep young people 'out of the reach of extremists and their poisonous propaganda' and the 'steps concerned parents and teachers can take'.
- In the wake of evidence that some young people have been able to access information on Islamic State and other terrorist groups, school and college will be required to monitor students' internet use more closely and to ensure that they have sufficiently robust 'firewalls' and 'filters' in place to prevent students from accessing such sites and to provide protection from other on-line threats, such as cyber-bullying, grooming and access to pornography.
- Following a number of high-profile cases where young people have travelled, or have attempted to travel, to Syria, there will be a requirement for schools and colleges to share information with each other and other agencies in order to track young people when they leave a school or college to move to another part of the country, or when they say that they are going to be educated at home.
- Illegal, unregistered schools will be identified and closed down (see below).

It is thought likely that the effectiveness of the 'Educate against Hate' procedures put in place by schools and colleges, will be included as part of Ofsted's inspection judgment in respect of safeguarding and the implementation of the wider 'Prevent' agenda.

Ofsted to set up a 'taskforce' of inspectors to seek out unregistered schools

Sir Michael Wilshaw says that Ofsted inspectors have recently found numerous examples of unregistered (and therefore illegal) faith based 'schools'. These 'schools' typically had a high proportion of un-vetted and un-qualified staff who were teaching young people a narrow religiously-focused curriculum for more than 20 hours a week, and had been set up under the guise of 'home education'. Sir Michael said that because the schools were not legally registered, they were not accountable to Ofsted, local authorities or the DfE, and added that some were housed in premises described by inspectors as 'squalid' and 'unhygienic'. Sir Michael went on to say that the growth in the number of unregistered faith schools (not to be confused with the growth in the numbers of legitimate, publicly funded faith schools), constituted 'a serious and growing

threat to the safety of children', and was 'undermining Ofsted's work to promote British values', and because of this, Ofsted, at the request of the DfE, would shortly be establishing a 'taskforce' of inspectors whose primary job will be 'to identify illegal unregistered schools in England' and 'to help prepare a legal case for the DfE to close them down'. A spokesperson for the DfE stressed that 'fundamental British values must be taught and encouraged in all schools and colleges' and that there 'will be a significant escalation in the action taken against schools operating without any formal registration or oversight'.

Madrassas will also be required to register with the DfE and will be subject to Ofsted inspection

There are an estimated 2,000 madrassas (Muslim supplementary schools) in England, many having more than 500 young people attending them. A madrassa curriculum normally focuses on helping students to better understand the principles and practices of the Islamic faith, and on learning Arabic in order to help students understand and recite the Qur'an in its original form. However, David Cameron has alleged that some young people attending madrassas were 'having their heads filled with poison and their hearts filled with hate'. As a result, earlier this month (January) the DfE announced that any out-of-school setting providing intensive education for 'more than six to eight hours per week' will be required to register with the DfE and will become subject to Ofsted inspection. The new measures are likely to cover almost all madrassas and, when fully implemented, will:

- Specify activities that could prompt Ofsted intervention (e.g. the appointment of 'unsuitable' staff, use of 'unsuitable' learning materials and failure to ensure the safety of children).
- Create new powers to impose sanctions (eg add to the DfE's existing legal powers to close down premises or to ban certain individuals from working with children).
- Prohibit the use of corporal punishment.
- Ban any teaching that 'promotes extreme views' or is 'incompatible with fundamental British values'.
- Subject madrassas to Ofsted inspections. (Ofsted says these will be 'risk-based' rather than routine).

The proposals have proved to be controversial with many Muslim groups. For example, the Northern Council of Mosques, representing around 400 mosques in Manchester, Bradford and Rochdale, says that it 'unequivocally rejects the proposals', which Mosque leaders say 'encroach on their legitimate right to teach their children their faith' and will 'alienate' the Muslim community. They also take issue with the use of the term 'extremism', which they say is 'vaguely defined' and argue that young Muslims should 'be able to debate ideas openly without fear of being labeled extremists'. A spokesperson for the group said 'we will play our role in making sure that madrassas are safe' but insisted that it was 'essential that Islamic institutions remain independent'. A spokesperson for the DfE said 'we recognise that many out-of-school education settings, including supplementary schools, do a great job in supporting children's education and development but, without proper oversight, there is a risk that some children attending them may be exposed to harm, including from harm from extremism', and that the government makes 'no apology for wanting to ensure children are properly protected'.

Wearing of niqabs (face veils) could result in a college being judged 'inadequate'

David Cameron has already said that he will give his backing to school, colleges, courts, hospitals and other public institutions if they decide that it is 'proper and sensible for Muslim girls and women to remove face veils when asked to do so', and speaking at the launch of the 'Educate against Hate' initiative (see above), Nicky Morgan said that in schools and colleges it was 'inevitable that there would be occasions when seeing someone's face would be necessary'.

Sir Michael Wilshaw was recently interviewed about this on BBC's 'Newsnight' and said 'We have come a long way in our society to ensure that we have equality for women and that they are treated fairly. We mustn't go backwards, and schools (and colleges) should have the power to ban Muslim girls from wearing face veils'. More recently, Sir Michael has hardened his position on this and said that Ofsted inspectors could judge schools and colleges as 'inadequate' if they allow students and staff to wear the niqab and that he would support head teachers and principals who decided to ban them. The new stance on niqabs has been criticised by the Muslim Council of Britain and some teaching unions, but Sir Michael said that wearing a face veil in class could 'hinder communication and effective teaching'. He also said that some head teachers and principals were 'coming under pressure' (e.g. from governors and community groups) to allow the wearing of veils, and to modify school uniforms to include niqabs. A spokesperson for the DfE said 'we fully support Sir Michael's statement today', and that the DfE 'was pleased' that heads and principals who decided to 'restrict the wearing of the veil' will 'receive Ofsted's backing'.

Five new National Colleges are approved, but two are rejected

One of the UK government's objectives for the English FE sector is to establish a network of industry-led National Colleges by September 2017. To this end, BIS has received proposals for seven different National Colleges. Five of the bids (covering Digital Skills, High Speed Rail, Nuclear Industries, Onshore Oil and Gas, and Creative and Cultural Industries) have been approved, and the Treasury has allocated an initial £80 million in funding. However, bids for two other National Colleges (Wind Energy and Advanced Manufacturing) were not approved. A BIS spokesperson explained that 'following a detailed assessment, the proposals for these colleges were deemed to be 'not sufficiently mature'.

And finally...

This story is also about National Colleges, but is set in the future.

In 2019, in the aftermath of the area reviews of 2015/16, BIS used the money saved from closing down most English general FE colleges to establish more new National Colleges. One of these was the National College for Inflatable Plastics Technology (NCIPT), which was sponsored by employers (although not in cash, of course) ranging from inflatable sun bed, beach ball and hemorrhoid easement ring manufacturers, through to Ann Summers. Another was the National College for Artificial Intelligence (NCAI) sponsored by various software companies. However, following the 2024 banking collapse, the government was once again forced to make public spending extensive cuts in order to provide bank bail-outs and to enable the payment of bonuses to bankers needed deter them from moving abroad. To help achieve the required savings, BIS decided that the NCIPT should be merged with the NCAI to form a combined National College for Inflatable Plastics and Artificial Intelligence (NCIPTIA).

Unfortunately, the financial crisis proved to be more severe than was originally thought, and the amount of bank bail out funding and bonus payments needed to deter bankers from moving abroad was larger than the government had initially expected. Therefore it was decided to try to save even more money by replacing real colleges with virtual colleges. In the case of NCIPTIA, it was decided to sell off the college estate and replace it with a much cheaper inflatable plastic college. Even more radical was the decision to replace real students with inflatable artificially intelligent plastic students (who were much less expensive to teach). So, in 2025, the new inflatable college was opened, and it did indeed have plastic inflatable artificially intelligent students attending it. At the college's first inspection in 2028, it was judged by Ofsted to be 'outstanding'. The inflatable students were much in demand by employers because they were good workers, and were not covered by any employment regulations. But in 2030, disaster struck. One of the college's inflatable students developed an aberration in its artificial intelligence and, shouting 'equal rights for plastics' ran amok with a pin, firstly puncturing its inflatable classmates and then puncturing the whole inflatable college, before finally turning the pin on itself. After extensive puncture repairs all round, the delinquent inflatable student was taken before the college principal, who said, 'you let your classmates down, you let the whole college down, but worst of all, you let yourself down'.

Alan Birks – January 2016

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