

## SECTOR DEVELOPMENTS...

### OFSTED PUBLISHES A NEW FE AND SKILLS INSPECTION HANDBOOK

Ofsted has published a new FE and Skills Inspection Handbook. Amongst the changes introduced are a 5-year inspection cycle for colleges graded as good and a 12-24 month cycle for those graded as requires improvement. Ofsted says that, as is the case at present, 'risk information' will still be taken into account in deciding the timing of inspections. The recent proliferation in the numbers of new apprenticeship providers (2,588 as at March) has placed pressure on Ofsted's limited resources and Ofsted says that extending the maximum period between inspections for 'good' providers will free around £400,000 a year to help fund the inspection of new providers. A copy of the new FE and Skills inspection handbook can be accessed at:

<https://www.gov.uk/government/publications/further-education-and-skills-inspection-handbook>

### DfE LAUNCHES CONSULTATION ON SEPARATE PERFORMANCE REPORTING FOR INDIVIDUAL COLLEGE CAMPUSES

The Department for Education (DfE) is consulting on proposals for separate performance returns to be made for individual colleges within college groups and for individual sites within geographically diverse multi-site campuses. The consultation centres around two main proposals, which are

- Should there be separate performance reporting for colleges that are part of a group? If this proposal were to be implemented it would mean performance information was available for all colleges, irrespective of whether they were part of an overarching college group or not.
- Should there be separate performance reporting for delivery sites that are part of the same college? If this proposal were to be implemented it is argued that there would be greater transparency on the quality of *local provision*, as well as performance information relating to the college as a whole.

The DfE says the aim is to support existing performance reporting (e.g. on achievement rates, progress measures, learner destinations and outcomes) rather than replace it. The DfE says that it is not proposing any changes to the measures themselves however, any changes introduced will inevitably have implications for future Ofsted college inspections. The DfE goes on to say that other, non-educational performance measures, such as financial indicators, are not in scope of the consultation and that 'the college corporation must remain the accountable body, however large or complex its activities, and wherever its provision is delivered. The consultation ends on 10 June and further details can be found at:

[https://www.gov.uk/government/consultations/performance-reporting-fe-college-groups-and-multi-site-colleges?utm\\_source=3848839f-02b5-4d4b-9139-eadd99c2ce8f&utm\\_medium=email&utm\\_campaign=govuk-notifications&utm\\_content=immediate](https://www.gov.uk/government/consultations/performance-reporting-fe-college-groups-and-multi-site-colleges?utm_source=3848839f-02b5-4d4b-9139-eadd99c2ce8f&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate)

### STRATEGIC COLLEGE IMPROVEMENT FUND BENEFICIARIES ANNOUNCED

Last October, the DfE announced the establishment of a £15 million 'Strategic College Improvement' Fund (SCIF). Colleges rated by Ofsted as requires improvement or inadequate overall and/or for their apprenticeship provision, have been invited to apply for grants of between £50,000 and £250,000 from the SCIF to support them in improving the quality of their provision. Each applicant college has to be supported by a stronger college rated at least 'good' at its most recent Ofsted inspection. The DfE says that working with a partner college will help the applicant college to refine its understanding of quality. Details of the successful applicants in the two pilot SCIF rounds have now been announced, along with the names of the colleges that will support them. The main SCIF programme is expected to run to March 2020 and guidance for those wishing to make an application for SCIF funds in the future can be found at:

<https://www.gov.uk/guidance/guidance-for-applicants-to-the-pilot-of-the-strategic-college-improvement-fund--3>

## £300 MILLION ALLOCATED TO FUND IMPLEMENTATION OF AREA REVIEW RECOMMENDATIONS

The Education and Skills Funding Agency (ESFA) has published an update to an earlier report entitled *Further education area reviews: funding to restructure colleges*. The report includes updated details of the £726 million restructuring facility, first announced in March 2016, to help colleges implement area reviews recommendations and other structural changes (e.g. mergers). The report shows that, thus far, more than £300 million of expenditure from the fund has been approved (around 40%), of which £150 million has been actually been spent. The money remaining in the fund is available up to March 2019, although colleges have been told that they should submit an application before September 2018 at the latest in order to be able to make the required changes before the March 2019 deadline. Further details can be found at:

[https://www.gov.uk/government/publications/post-16-education-and-training-institutions-apply-for-financial-support-for-area-reviews?utm\\_source=93fa0da8-9d5e-4284-9246-344d15125119&utm\\_medium=email&utm\\_campaign=govuk-notifications&utm\\_content=immediate](https://www.gov.uk/government/publications/post-16-education-and-training-institutions-apply-for-financial-support-for-area-reviews?utm_source=93fa0da8-9d5e-4284-9246-344d15125119&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate)

## SUCCESSFUL 'FLEXIBLE LEARNING FUND' BIDS ANNOUNCED

The list of 32 providers that made successful bids for a share of the £11.7 million 'Flexible Learning Fund' to support innovative learning projects across England has been published. The fund is intended to help with the design and development of new learning programmes for adults that will help them progress in current employment or secure a new job. Further details can be found at:

[https://www.gov.uk/government/news/multi-million-pound-fund-for-adult-learning-announced?utm\\_source=b8aed117-6ab1-4450-a251-c121230b5196&utm\\_medium=email&utm\\_campaign=govuk-notifications&utm\\_content=immediate](https://www.gov.uk/government/news/multi-million-pound-fund-for-adult-learning-announced?utm_source=b8aed117-6ab1-4450-a251-c121230b5196&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate)

## SIXTH FORM COLLEGES CAN NOW APPLY FOR 'EXCEPTIONAL FINANCIAL SUPPORT'

The DfE has announced that sixth form colleges (SFCs) in England will now be able to apply for exceptional financial support. As with FE colleges, the support can either be in the form of a grant or a loan and is available to SFCs that are encountering financial, or cashflow, difficulties that put the continuation of provision at risk. The DfE says that exceptional financial support will be phased out when the new FE insolvency regime is introduced in England later this year. Further details are available at:

<https://www.gov.uk/government/publications/further-education-colleges-financial-intervention-and-exceptional-support>

## ESFA REQUIRES BUSINESS CASE FOR 'EXCEPTIONAL FINANCIAL SUPPORT'

The ESFA says that those FE and sixth form colleges that do apply for exceptional financial support will now be required to explain such things as: how they go about making money; what they should do more of; what they should stop doing; what they should be doing better; and what they could be doing differently. They will also be required to provide the ESFA with financial information such as the gross margin for courses. Although the £hundreds of millions allocated by the government to fund such things as area review implementation, strategic college improvement, flexible learning, restructuring facilities and exceptional financial support, etc etc, may have created promotion opportunities for ESFA and DfE officials, and extra income for accountants and consultants, many argue that if this funding had been used to bolster mainstream college budgets instead, far fewer colleges would have found it necessary to apply for financial support from these initiatives.

## SELECT COMMITTEE INQUIRY INTO SCHOOL AND COLLEGE EDUCATION FUNDING IN ENGLAND

The House of Commons Education Select Committee has announced it is to undertake an inquiry into:

- How effective the government spending review process is in determining the level of public funding for schools and colleges.
- Whether the funding allocated through this process is adequate.
- Whether a longer-term plan is needed for determining education spending.

The chair of the committee is Robert Halfon MP, a former Minister for Apprenticeships and Skills in England, who has argued that education funding should not be driven primarily by Treasury processes but rather by a long-term strategic assessment of national priorities for education and skills. He has also warned that cuts in FE funding, combined with rising costs have led to serious challenges for FE and that this has impacted negatively social justice and productivity'. The committee has invited written submissions by 30 May on the following:

- What the DfE's priorities should be for schools and colleges in the next spending review.
- Whether the spending review cycle is the best mechanism for determining overall expenditure on schools and colleges, and what that level of expenditure should be.
- The effectiveness of targeted funding measures such as the pupil premium, its relationship to core education funding and the impact of the national schools funding formula in England.

Further details relating to the inquiry can be found at:

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

### MINISTER OUTLINES 'OBJECTIVES AND OUTCOME REQUIREMENTS' FOR THE FE COMMISSIONER FOR ENGLAND

The Minister for Apprenticeships and Skills in England, Anne Milton, has written to the FE Commissioner for England, Richard Atkins, setting out a number of objectives and related outcome measures for him to achieve in 2017/18. (Given that we are now more than half way through the 2017/18 year, Mr Adkins could perhaps be forgiven for thinking it might a bit late for Ms Milton to be setting targets). Ms Milton says that the aim is to achieve greater transparency in Mr Atkins' role. She goes on to say that his overarching goal is to help the government improve the quality of education provided by FE colleges and reduce the risk of colleges failing. The other objectives he has been set include:

- Ensuring colleges that require formal intervention improve as quickly as possible, and that their improvement is sustained.
- Ensuring, through a diagnostic assessment process, that fewer colleges fall into formal intervention.
- Helping to ensure that FE provision is financially sustainable by facilitating appropriate and effective restructuring where necessary.
- Providing leadership to the FE college sector and helping 'to bring together organisations that fund, monitor and seek to improve colleges, in order to accelerate quality improvement, and strengthen the capacity of the sector to improve itself'.
- Ensuring that ministers and officials have a wide range of evidence and advice to help inform policy development and implementation.
- Helping to strengthen leadership and governance in FE colleges.
- Further developing peer support and the sharing of good practice amongst colleges.

Ms Milton also said that for each of the above goals there will be a number of outcome measures that will be taken into consideration when reflecting on the success of his work. These include such things as:

- The performance of colleges post-merger.
- The number of colleges in financial difficulty that remain standalone after area reviews.
- The 'proportion of colleges rated by Ofsted as good or outstanding.
- Feedback on Mr Adkin's performance from the College Improvement Board, the Principals' Reference Group and the National Leaders of FE Group.
- Feedback from the minister and officials on the quality of Mr Atkins' advice on policy development.

A copy of Ms Milton's letter to Mr Atkins can be accessed at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/697071/Minister\\_to\\_FEC\\_Letter\\_March\\_2018.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/697071/Minister_to_FEC_Letter_March_2018.pdf)

## OFQUAL PLACES VOCATIONAL AWARDING BODIES (AOS) UNDER MORE SCRUTINY

Ofqual has published its Corporate Plan for the next 3 years. In the document, Ofqual says that it will:

- Put vocational qualifications under more scrutiny in an attempt to address the increasing number of incidents of malpractice.
- Apply the same rigour to regulating vocational qualifications as it does to GCSE's, AS and A Levels.
- Take prompt action when AOs fail to meet Ofqual's quality assurance requirements.
- Address the lack of openness over the fees charged for different vocational qualifications (Ofqual says that unlike for GCSEs, AS and A levels, 'information regarding the fees charged by AOs for vocational qualifications is not always publicly accessible').
- Exercise increased vigilance in respect of emerging issues and risks that can arise in individual AOs.
- Carry out a long-term research programme into performance-based assessment to help inform the ongoing reform of national technical and vocational qualifications.

A copy of the Ofqual Corporate Plan 2018 to 2021 can be accessed at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/696861/Ofqual\\_corporate\\_plan\\_2018\\_to\\_2021.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/696861/Ofqual_corporate_plan_2018_to_2021.pdf)

## ETF REPORT REVEALS THAT, ON AVERAGE, MALE FE STAFF EARN 14.4% MORE THAN WOMEN

New equality legislation now requires employers in England with at least 250 staff to disclose their gender pay data on an annual basis. An analysis of general FE (GFE) and SFC gender pay data for 2016/17 is included in the *Workforce Education Data for England 2017*, a report compiled by research firm Frontier Economics on behalf of the Education and Training Foundation (ETF). The analysis reveals that men working in GFE and SFC colleges earn significantly more than their female colleagues. The gender pay gap across the 111 GFE and SFCs that returned the required data was 14.4%, which is significantly above the 11.6% cent England average. The largest gender pay gap reported was 40.4%, however many colleges reported no gender gap, and one (Tower Hamlets College) reported a 2.6% gap in favour of women. The gender pay gap affects teaching staff in FE in almost all subject areas. A copy of '*Workforce Education Data for England 2017*' can be accessed via the weblink at the end of the next section.

## GFE TEACHER PAY CONTINUES TO FALL

Staff Individualised Record (SIR) data returns included in the ETF report above, reveals that over the past 5 years, median pay for GFE teaching staff has fallen by 2.2% to £31,800. (Median pay for all GFE staff is £28,700). The real terms fall in teachers' pay when consumer price index (CPI) inflation is taken into account, shows an even steeper decline of 24.7%. The report also shows there has been a significant increase in the use zero-hours contracts and that staff on these contracts now make up 5.2% of the GFE workforce, up from 3.2% in the previous year. A DfE spokesperson said that that teacher pay is a matter for individual colleges to decide upon, while colleges insist that disproportionate government cuts in funding have prevented any significant increase in pay. A copy of '*Workforce Education Data for England 2017*', can be accessed at:

<http://www.et-foundation.co.uk/wp-content/uploads/2018/03/Staff-Individualised-Records-Data-Report-SIR-25-2016-17.pdf>

## CONCERNS EXPRESSED AT ABILITY TO RECRUIT ENOUGH SKILLED FE STAFF POST BREXIT

In an interim report, the government's Migration Advisory Committee (MAC) says 'Employers in all sectors are concerned about the prospects of future restrictions on migration from the European Economic Area' (which is the EU plus Norway, Iceland and Liechtenstein). The Association of Colleges (AoC) has added its voice to these concerns saying that 'the fall in the value of sterling, the changing perception in the attractiveness of the UK and the introduction of new controls on migration from the EEA may make it harder for colleges to recruit the staff they need'. The ETF *Workforce Education Data for England 2017* above shows that there are around 6,600 citizens of other EU countries currently working in FE colleges in England. However, despite the low, and falling, levels of pay, the University and Colleges Union (UCU)



claims that most of these staff say they wish to remain in Britain post Brexit and that they are very worried about their continued residency status and job security when Britain does leave the EU. A copy of the MAC interim report, entitled *EEA workers in the UK labour market*, can be accessed at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/694494/eea-workers-uk-labour-market-interim-update.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/694494/eea-workers-uk-labour-market-interim-update.pdf)

### CALL FOR CLARITY ON POST-BREXIT REPLACEMENT FUNDING FOR ESF

The House of Commons Work and Pensions Committee, chaired by Frank Field MP, has called on the government to 'urgently develop a successor programme to the European Social Fund (ESF)' to ensure that Britain's savings from no longer having to make net contributions to the EU budget are used to avoid the emergence of any gap between existing and new funding streams. ESF grants in the 2014-20 period are worth a total of around £2.3 billion to FE colleges in England. ESF FE projects are administered through the ESFA, the Department for Work and Pensions (DWP) and the Big Lottery Fund, each of which must provide matched funding for the projects which is at least equivalent to the ESF funding received. The matched funding provided by the ESFA for ESF FE projects is not necessarily additional income for colleges, since it is usually deducted in advance from the overall FE budget. In 2016/17 the ESF projects co-funded by the ESFA saw a combined total of £456 million allocated to 87 FE providers. Unlike ESF projects co-funded by the other agencies, all ESF projects co-funded by the ESFA have to be delivered by July 2018 and at present it is unclear whether there will be any funding for the continuation of these projects after then. For its part, the government has committed to introducing a UK Shared Prosperity Fund once the current ESF funding streams end in 2020. A copy of the Committee report can be found at:

<https://www.parliament.uk/business/committees/committees-a-z/commons-select/work-and-pensions-committee/inquiries/parliament-2017/european-social-care-fund-17-19/>

### KNIFE POSSESSION IN COLLEGES WITHOUT GOOD REASON TO BECOME A CRIMINAL OFFENCE

The possession of knives on school premises in England has been illegal since 1996 and although you might think that carrying a knife in college would also be illegal, this has not technically been the case. To address this, the government is introducing a new Offensive Weapons Bill which, when it becomes law it will, for the first time, make it illegal for a person to possess a knife on FE and SF college premises without good reason (e.g. for use in a catering class). The new legislation will also:

- Make it an offence for knives bought online to be sent to residential addresses.
- Change the legal definition of 'threatening with an offensive weapon' to make prosecutions easier.
- Update the definition of a 'flick knife' to reflect changing weapon designs.
- Make it illegal to sell acid or other corrosive substances to under-18s and for anyone to possess corrosive substances in a public place.

Further details of the bill can be accessed at:

<https://www.gov.uk/government/news/home-office-announces-plans-for-offensive-weapons-bill-to-tackle-serious-violence>

### HOUSE OF LORDS COMMITTEE SAYS COLLEGES SHOULD HELP REGISTER STUDENTS TO VOTE

The House of Lords Select Committee on Citizenship and Civic Engagement has produced a report entitled *The Ties that Bind: Citizenship and Civic Engagement in the 21st Century*. The report says that there is a need for targeted action on increasing electoral registration amongst young people and recommends that FE colleges should play their part in increasing participation in the democratic process by registering students to vote. The report cites the example of University of Sheffield which, if students tick a box to agree, provides the local electoral registration officer with the data that registers them to vote. The report also recommends a pilot registration scheme at a number of schools and FE colleges across the country and, if successful, the government should introduce regulations to impose on schools, FE colleges and apprenticeship providers a legal duty to assist electoral registration officers when required to do so. The report can be accessed at:

<https://publications.parliament.uk/pa/ld201719/ldselect/ldcitizen/118/118.pdf>

## LABOUR PARTY CONSULTS ON PROPOSALS FOR NATIONAL EDUCATION SERVICE IN ENGLAND

The Labour Party has launched an England wide consultation on its plans for the creation of a National Education Service (NES). The NES was an integral part of its general election manifesto last year. The consultation, which runs to 24 June, is entitled *Early Years, Education and Skills: Towards a National Education Service* and seeks views from interested parties on topics such as how to:

- Provide excellent education for all those who need it, available from cradle to grave.
- Reduce the fragmentation of the education system and replace it with an approach that is integrated and promotes lifelong learning.
- Eradicate a system of both higher and adult further education that is increasingly reliant on personal debt by abolishing university tuition, FE and adult education fees.
- Re-introduce the Education Maintenance Allowance (EMA) for full time students aged 16-19.
- Invest £1 billion pounds in the delivery of the new T-Levels, establish genuine parity of esteem between academic and vocational education and improve outcomes for young people who do not choose to follow the traditional academic route.
- Devolve apprenticeships and other skills funding to combined authorities, and not just the Adult Education Budget (AEB).

In his speech to the AoC conference last November, Labour leader, Jeremy Corbyn said 'We feel there's a danger with the independent model of college education that they get too far away from local communities and local education authorities'. The proposals have generally been welcomed by the FE sector, but some college leaders have expressed concerns that Mr Corbyn's comments might mean that the status of colleges as independent corporations could be at risk. More information on the NES can be found at:

<https://labour.org.uk/manifesto/education/#first>

And the documentation for those wishing to submit a response to the consultation can be found at:

<https://www.policyforum.labour.org.uk/commissions/education/towards-a-national-education-service>

## LABOUR PROPOSES FREE BUS TRAVEL FOR UNDER-25S

The Labour Party also says that, if elected, it will introduce free bus travel for young people aged under 25. Launching the proposal earlier this month (April) Mr Corbyn said that the proposal will save young people up to £1,000 a year in travel costs and will remove one of the major barriers which stops people going to college or starting an apprenticeship'. The proposal is estimated to cost £1.4 billion, which Mr Corbyn says will be funded from revenue raised through vehicle excise duty. He also clarified that free travel for under-25s will only be offered in areas where local councils agree to either take bus services under public ownership or to introduce a franchising model similar to that which already exists in London.

## THE NUMBER OF APPRENTICESHIP STARTS CONTINUES TO FALL

Data recently published by the DfE shows that the number of apprenticeship starts is continuing to fall. The data shows that:

- There were 194,100 apprenticeship starts in the first two quarters of the 2017/18 academic year compared with 258,800 reported at this time in 2016/17, a decrease of 25%.
- Between August 2017 and January 2018 there were 206,100 apprenticeship starts compared to 269,600 starts at the same point last year, a decrease of 24%.
- Apprenticeship starts in January 2018 contracted by 31% compared to January 2017.

Industry leaders have blamed the contraction on the introduction of the employer levy and have called on the government to review and change the levy policy, but the DfE is still arguing that the downturn was expected and Sir Gerry Berragan, the Chief Executive of the Institute for Apprenticeships (IfA) is predicting a surge in the number of apprenticeship starts later this year. The data are still classified as provisional,

and the DfE stresses that they are subject to revision, but they raise questions about the government's chances of achieving its 2015 target of 3 million apprenticeship starts by 2020. The data can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/693581/SFR23\\_2018\\_Further\\_Education\\_and\\_Skills\\_SFR\\_main\\_text.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/693581/SFR23_2018_Further_Education_and_Skills_SFR_main_text.pdf)

And a more detailed statistical breakdown of apprenticeship starts can be accessed at:

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

### CONFEDERATION OF BRITISH INDUSTRY (CBI) SAYS APPRENTICESHIP LEVY IS TOO INFLEXIBLE

The CBI says that the apprenticeship levy is holding businesses back and that the system should be based around business and learner demand, not government diktat. The CBI also says that by its inflexible design, the levy mitigates against real innovation in delivery of apprenticeships in England and that the client in the system has *not* been the learner or the employer, it has been the government.

### BRITISH CHAMBERS OF COMMERCE (BCC) SAYS THE APPRENTICESHIP LEVY IS TOO COMPLEX

Jane Gratton, Head of Skills at the BCC, has said that many firms are finding it difficult to engage with the levy system because of its complexity and for many levy payers it feels like a tax, or redirects funds set aside for other forms of training. At the other end of the spectrum, the funding rules mean that SMEs are facing higher recruitment costs and are unsure how and where to access quality training providers.

### INSTITUTE OF DIRECTORS (IOD) STUDY SUGGESTS THAT THE APPRENTICESHIP LEVY IS NOT FIT FOR PURPOSE

A recent survey of 624 levy-paying employers conducted on behalf of the IoD has revealed that:

- 86% think that the levy it is not fit for purpose.
- 27% think that it is too difficult to navigate and understand.
- 33% say that it has not been designed with their training and skills needs in mind.
- 28% say that they are unlikely to bother reclaiming their full entitlement to train apprentices.
- 14% regard the levy as just another tax and 'will not claim *any* of the funds they are entitled to.
- 21% say that they will simply reallocate their existing training budget to train apprentices.

More information can be found at:

<https://www.iod.com/news-campaigns/press-office/details/New-business-survey-shows-need-for-Apprenticeship-Levy-reform->

### SWISS-STYLE APPRENTICESHIP SYSTEM WOULD BENEFIT FIRMS IN ENGLAND

A new report commissioned by the Education Policy Institute (EPI) with financial support from the JPMorgan Chase Foundation, says that Switzerland outperforms most European countries in respect of skills training and that a Swiss-style apprenticeship model in England, which involves longer programmes and more off-the-job training would be a better option than the current UK system. The report is based on an analysis that uses cost-benefit data drawn from around 2,500 Swiss firms and the UK's Labour Force Survey and says that:

- Apprenticeships of longer duration are likely to bring higher returns for both employers and apprentices.
- Employers and apprentices are likely to see more positive economic returns from training beginning at an earlier age.
- Large companies will be more likely to experience net benefits from hiring apprentices than small and medium-sized companies, due to economies of scale and different salary structures.
- Some apprenticeship occupations in particular produce considerable benefits (e.g. bricklayers, electricians, and IT/software developers).
- In order to ensure apprenticeships are 'profitable' for all employers in the long-term, the retention of apprentices after training completes is crucial.

Policy recommendations made in the report include the following:

- Instead of arbitrary apprenticeship targets, the government should direct its focus on driving up levels of quality in training programmes.
- In line with other advanced economies, the government should consider expanding apprenticeships for 16-18-year-olds. (In England, more than 60% of apprentices are age 19 or over).
- Further interventions must be made to tackle high apprentice dropout rates.
- The government should do more to support SMEs, who are likely to experience fewer benefits from employing apprentices than larger firms.

A copy of the report, entitled '*Apprenticeship training in England – A cost-effective model for firms*', can be accessed at:

[https://epi.org.uk/wp-content/uploads/2018/04/Apprenticeships-in-England\\_2018.pdf](https://epi.org.uk/wp-content/uploads/2018/04/Apprenticeships-in-England_2018.pdf)

### GOVERNMENT FUNDING SHOULD BE WITHDRAWN 'APPRENTICESHIPS IN NAME ONLY'

The public services think-tank Reform has published a report entitled *The Great Training Robbery*, in which it says that the government should withdraw funding from 'low-skill and management training courses that are incorrectly labelled as apprenticeships'. The report says that these account for more than 40% of apprenticeships and cost around £600 million a year. The report goes on to argue that the government should fund only those apprenticeships that meet the International Labour Office (ILO) definition of an apprenticeship. The ILO defines apprenticeships as 'training programmes that combine vocational education with work-based learning for an intermediate occupational skill'. The report also says that the apprenticeship levy is too complicated for employers to understand, focused on too many inappropriate forms of training and as a result is unlikely to deliver value for money. The report also says that:

- The target for three million apprenticeship starts by 2020 should be abandoned so that the focus can be placed on the quality of apprenticeships.
- The government should introduce a new internationally benchmarked definition of an 'apprenticeship' and any apprenticeship standard that does not meet this definition should be withdrawn.
- The government should replace its digital payment system with a simpler apprenticeship voucher model to give employers control of government funding while reducing their administrative burdens.
- All apprenticeship standards and end-point assessments (EPAs) for apprentices should be assigned a fixed cost by the ESFA to remove the need for protracted price and contract negotiations between employers and training/assessment providers.
- Ofqual should be given sole responsibility for quality assuring EPAs for apprentices to ensure that standards are maintained over time and that poor practice is quickly identified and eradicated.

A copy of the report can be accessed at:

<http://www.reform.uk/wp-content/uploads/2018/04/The-great-training-robbery-assessing-the-first-year-of-the-apprenticeship-levy.pdf>

### RESTRICTIONS ON TRANSFER OF APPRENTICESHIP FUNDS TO OTHER ORGANISATIONS

From next month (May), employers who pay the apprenticeship levy will be allowed to transfer up to 10% of the funds they receive to other organisations. The aim of this is to enable larger organisations with unspent levy funding to support smaller employers in their supply chain to recruit apprenticeships. However, the ESFA has now said that in the first phase, firms in receipt of levy funding will only be allowed to handover unspent funds to *one* other organisation. There are no restrictions on which organisations employers can transfer the funds to, except that they must be registered with the Apprenticeship Service. (The Apprenticeship Service is an online digital system similar to online banking that has been set up to administer and support apprenticeship levy payments and receipts). Once a transfer of levy funding is made, it can't be refunded to the 'sending employer'. ESFA guidance for firms wishing to transfer their apprenticeship funding to other firms and organisations can be found at:

<https://www.gov.uk/guidance/transferring-apprenticeship-service-funds>



Additional information is also available in the most recent ESFA 'Business Update', which can be found at:  
<https://www.gov.uk/government/publications/skills-funding-agency-business-update/business-update-issue-32-april-2018>

### ESFA PUBLISHES UPDATED RULES ON SUBCONTRACTING APPRENTICESHIP PROVISION

The ESFA has published an update that provides clarification of the rules on subcontracting apprenticeship provision. In the update the ESFA says that:

- As a general principle, government funds should not be diverted away from training and assessment in the form of fees and other charges.
- Both prime providers and the subcontractors delivering apprenticeship provision on their behalf should be able to show how subcontracting adds value to the employer's apprenticeship programme.
- The prime provider has full responsibility for the quality of all aspects of every apprenticeship delivered for the employer.
- The prime provider is required to carry out formal assessments of their subcontractors' provision.
- The prime provider must deliver some of the employer's apprenticeship programme's training and/or on programme assessment.

The ESFA also intends to review the rules surrounding subcontracting fees and charges to ensure that 'funding is only being used to meet recognised costs'. A copy of the ESFA update can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/698909/Subcontracting\\_guidance.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/698909/Subcontracting_guidance.pdf)

### ESFA TO PUBLISH AMOUNTS PRIME PROVIDERS WITHHOLD FROM SUBCONTRACTORS

The practice of prime providers charging their subcontractors fees (and in doing so effectively withholding government funds intended for the front-line delivery of education and training) has become a politically contentious issue. Because of this, the ESFA has published details of the requirements now placed on prime providers to declare the level of funding paid to, and retained from, each of their subcontractors in the 2016/17 academic year. The ESFA has supplied prime providers with a template on which the figures must be entered and returned to the ESFA. These figures must be published on the providers' website and, for the first time, will also be published on the ESFA website in order to make subcontracting fees more transparent. The ESFA has given providers a deadline of 27 April to complete and return the template and the data is expected to be published on the ESFA website in June. A copy of the ESFA guidance on returning the information required on the template can be found at:

<https://www.gov.uk/government/publications/esfa-update-april-2018/update-issue-398-11-april-2018>

### ESFA OPENS SECRET WINDOW FOR ITTS TO BE INCLUDED ON THE ROATP

The third and latest application window for employers and training providers to apply to be included on the Register of Apprenticeship Training Providers (RoATP) closed last October. The application process is now being reviewed by the ESFA and is not scheduled to be opened again until September. However, it appears that a 'secret window' was opened between February 28 and March 9 solely to allow initial teacher training (ITT) organisations to apply to be entered on the RoATP. The ESFA explained that there were 'extenuating circumstances for opening register to ensure there are enough accredited ITT providers in place to deliver the postgraduate teacher apprenticeship from September 2018' and that extra ITT apprenticeships are a crucial part of the government's attempt to tackle the growing teacher recruitment crisis. The school age population in England is growing rapidly and the DfE estimates that over the next 5 years more than 540,000 additional secondary school places will be needed. The additional window has allowed an additional 36 ITT providers (including academy trusts and local authorities) to join the RoATP.

### IFA APPOINTS NEW CHIEF OPERATING OFFICER

The IfA has appointed Robert Nitsch CBE, the Army's Director of Personnel as the new IfA Chief Operating Officer. The IfA's Chief Executive Sir Gerry Berragan said that he and Mr Nitsch had served together in the

Army and that he will be an excellent fit for the post. Mr Nitsch will be responsible for the daily operation of the IfA and will oversee the work of the six IfA deputy directors. He will report directly to Sir Gerry.

### ALL CHANGE AT THE CITB

Peter Launer was the former Chief Executive of both the Skills Funding Agency (SFA) and Education Funding Agency (EFA), which then became the ESFA. He was also the former interim Chief Executive of the IfA. Mr Lauener is currently the interim Chief Executive of the Student Loans Company (SLC) and Chair of the Newcastle College Group (NCG). In addition to these roles, he has now been appointed as the new chair of the Construction Industry Training Board (CITB). The challenges he will face in his new position at the CITB include shedding around 800 jobs over the next three years, the closure of the CITB National Construction College and the selling off seven CITB college sites, disengaging the CITB from the apprenticeship levy system, ceasing to operate as a direct construction training provider and instead becoming an 'enabler of training' through a new construction training directory of approved providers.

### UVAC CEO PREDICTS THAT DEGREE APPRENTICESHIPS BE 10% OF ALL DEGREES AWARDED

The Chief Executive of the University Vocational Awards Council (UVAC), Adrian Anderson, says that the number of universities awarding degrees through apprenticeships is increasing rapidly and that over the next 3 years he expected that around 10% of all university degrees would be awarded via apprenticeships.

### UNIVERSITIES CONTINUE TO EXPAND THEIR FE PROVISION

Meanwhile, in the two years between 2014/15 and 2016/17, the number of universities in receipt of funding for FE provision has almost trebled, from 21 to 62 and university income from apprenticeships, traineeships and the adult education budget has more than doubled, from £12.6 to £31.9 million.

### FE COLLEGES MUST NOW APPLY FOR POWERS TO AWARD DEGREES THROUGH THE NEW OFS

With effect from this month, FE colleges in England wishing to obtain powers to award foundation degrees will be required to do so through the new Office for Students (OfS) rather than the Higher Education Funding Council for England (HEFCE). Although the OfS will administer the application process and make recommendations, the ultimate decision to grant degree awarding powers will remain with the Privy Council. In 2015/16 there were 151,360 HE students studying at around 300 FE colleges in England. The HE courses are usually designed and accredited by universities and very few have the power to award their own foundation degrees. In addition, there is currently no FE representation on the OfS Board. Further details of the OfS application process can be accessed at:

<https://www.officeforstudents.org.uk/advice-and-guidance/regulation/degree-awarding-powers-and-university-title/>

### PARLIAMENTARY REPORT SAYS FREE SPEECH IN UNIVERSITY IS UNDER THREAT FROM 'INTOLERANT ATTITUDES'

A report produced by Spiked magazine and supported by the Joseph Rowntree Reform Trust, says that more than 90% of UK universities now restrict free speech on campus, and that practices such as no platforming or providing safe spaces are increasingly being used by protestors to block speakers whose views they disagree with. Universities Minister for England, Sam Gyimah, has warned of a creeping culture of censorship on university campuses and has reminded universities that they must, by law, be places of open and uncensored debate. He has been supported in this by the publication of a report by the House of Commons Joint Committee on Human Rights, entitled *Freedom of Speech in Universities*, which says that there is a growing problem of inhibition of free speech in universities. The report calls for the defence of freedom of expression on campus and says that protestors should not be allowed to stop student societies from holding meetings or events, or engage in practices such as intimidatory filming, masked protest, threats and physical disruption. Harriet Harman, the chair of the Committee said, 'Students must respect the right of other students to say things, no matter how unpleasant, offensive or insulting, they find them'. The Committee says that it will now publish its own guidance on free speech for universities and students. A copy of the report can be found at:

<https://publications.parliament.uk/pa/jt201719/jtselect/jtrights/589/589.pdf>

### UNIVERSITY AND COLLEGES ADMISSIONS SERVICE (UCAS) ACCUSED OF INSTITUTIONAL RACISM

An analysis of UCAS data by the *Independent* newspaper has revealed that black applicants seeking a place at university are 21 times more likely to have their applications investigated for suspected false or missing information than white applicants. This has prompted accusations of institutional racism and demands for urgent action to stamp out racial profiling. The data analysis shows that last September 419 out of a total of 42,580 black applicants for places undergraduate courses were flagged as a concern, meaning that 1 in every 102 applications was investigated. At the same, 181 out of a total of 388,465 white applications were flagged as a concern, meaning that just 1 in every 2,146 applications was investigated. Responding to the analysis, UCAS said that it was extremely concerned by the figures and has launched an investigation. UCAS has insisted that ethnicity is not taken into account during the screening of applications (although prospective students declare their ethnicity in the application forms they submit) and that it uses fraud and similarity detection software to help identify such things as fake qualifications, plagiarised personal statements and inaccurate information, and that it is this software that flags up a concern and triggers an investigation. UCAS has now said that it will publish data showing the gender and race of applicants flagged as a concern, with the first figures expected next month. UCAS has also said that it will also be carrying out research to understand what is driving the higher figures for black applicants and that findings of this research will also be published. A copy of the *Independent* article is available at:

<https://www.independent.co.uk/news/education/education-news/uk-black-students-university-applications-investigation-more-likely-ucas-figures-nus-labour-a8314496.html>

### NUS REPORT SAYS THAT WORKING-CLASS STUDENTS IN ENGLAND ARE FACING POVERTY

The National Union of Students (NUS) has commissioned research on the experiences of working-class students aged 16 and over in England and has published its findings in a report entitled *Class Dismissed: Getting in and Getting on in Further and Higher Education*. The report contains an analysis of the costs of living and studying for students at universities, FE colleges and on apprenticeship programmes and concludes that the costs for working class students routinely outstrips income from the loans they are able to take out. This leaves many students whose parents cannot afford to subsidise them without the means even to pay for basics such as food and heating. They can also struggle to find a guarantor to enable them to rent accommodation. In addition, poorer students aged 16-18 in England are denied access to an Educational Maintenance Allowance (EMA) and apprentices are expected to manage on a national minimum wage of just £3.70 an hour. The NUS report goes on to say that working class students also struggle to afford to participate in social events with their wealthier peers, leaving them feeling ostracised. One student said they were expected to pay £200 to join a junior common room for their halls of residence to be included in social activities. And if working-class students are required to take HE access courses in FE prior to commencing university it means that they are faced with having pay an additional year of fees to gain their degree qualifications. The report calls for the introduction of a minimum living income for students in further and higher education. It also recommends the restoration of university maintenance grants, the EMA for 16-18-year-olds and NHS bursaries for nursing and healthcare students. Asked to comment on the report, a spokesperson for the DfE said that the number of disadvantaged students going to university was at an all-time high and that apprenticeships offered young people a route to high-quality training. A copy of the NUS report can be accessed at:

<https://www.nusconnect.org.uk/resources/class-dismissed-getting-in-and-getting-on-in-further-and-higher-education>

### AND FINALLY...

A group of FE hairdressing and beauty therapy students had been taking part in a national skills competition and were returning to college in a minibus. It was dusk, and the last part of their journey took them through the countryside. Suddenly, the students felt a bump as the minibus first hit and then rode over something unseen. The minibus driver, who was one of the students' lecturers, stopped and got out. She walked back along the road and eventually found a hare lying seriously injured in the road. She walked back to the minibus, told the students what had happened and began to reverse the minibus. One of the students asked her what she was doing, and she explained that she was reversing back to run over the hare again, in order to put it out of its misery. 'No!', shouted the student, who grabbed her bag, jumped out of the minibus and ran towards where the hare was lying in the road. The other students watched as she took two bottles out of her bag. She uncorked the first bottle, opened the hare's mouth and poured a liberal amount of the liquid down the hare's throat. She then uncorked the second bottle, but this time she poured just a few drops of the thick liquid into the hare's mouth. Everyone held their breath wondering what would happen next. A few seconds later they were startled to see the hare regain consciousness, jump up, do a little dance and then run off, energetically waving a paw at the students until it disappeared into the hedgerow. The lecturer couldn't believe what she had seen and asked the student what was in the bottles. 'Well', said the student 'the first bottle contains hare restorer and the second bottle contains something to give your hare a permanent wave'.

### Alan Birks – May 2018

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