

FE INFORMATION AND POLICY UPDATE

Autumn Statement

Chancellor George Osborne has updated MPs on the state of the economy and the government's future plans in his [Autumn Statement](#) as the Office for Budget Responsibility (OBR) publishes its latest growth and borrowing forecasts.

Economic Growth

In 2013, 2014 and 2015, forecast growth will be 2.1%, 2.7% and 3%

Government Borrowing

Forecasts for UK government borrowing have been increased, the chancellor announced. Extra £111bn in borrowing over five years.

He said borrowing would be £5bn more this year than originally forecast, £19bn higher next year and £30bn higher in 2013-14.

The increases are a result of the reduction in the expected level of growth in the economy.

The Chancellor pledged to eliminate the structural deficit by 2017-18.

Education and Training

- Apprenticeships: from April 2016 employers will not have to pay National Insurance contributions (NICs) for all but the highest earning apprentices aged under 25.
- Postgraduate Loans (up to £10,000). From 2016-17, loans will be available for postgraduate taught masters courses in any subject for those under the age of 30.
- £1.2bn extra spending on schools in England (half to go to councils for more school places and half for 100 additional free schools).
- The Government will invest £20 million to improve careers advice and support for young people.
- £10 million to drive up educational standards in areas of the North with the weakest provision by helping outstanding local academies sponsor local schools and supporting the expansion of the best academy chains.
- From October 2015 jobseekers aged 18 to 24 who are not in education, employment or training (NEET) will participate in a period of intensive activity and job search support at the start of their benefit claim before being eligible to claim Universal Credit.

FE INFORMATION AND POLICY UPDATE

Autumn Statement Contd.

- The Government will pilot career change work experience and training opportunities for older benefit claimants to help them gain the experience and training they need to re-skill and get back to work from April 2015

Business and jobs

- OBR forecast of total public sector job losses up from 400,000 to 710,000.
- Regional Growth regeneration fund to get £1bn in extra funding.
- £250m support package for energy-intensive firms, £500m for science.
- £1bn "youth contract" to subsidise six-month work placements for 410,000 young people.

Infrastructure Spending

- £5bn new spending over three years, including £1bn for the rail network.
- Go-ahead for 35 road and rail projects across England.
- Aim to unlock a further £20bn in investment from pension funds.

Responding to the Government's Autumn Statement, AoC Chief Executive Martin Doel said:

On Careers Advice:

"Pupils at the ages of 14 and 16 face important transitional decisions often with little help or support. In announcing the investment of £20 million to improve careers advice and support for young people the Government must now ensure that careers education is part of the curriculum.

"All young people should have access to a similar level of support and that's why our Careers Guidance Guaranteed campaign calls for the establishment of careers hubs in every local area involving schools, colleges, local councils and others.

We look forward to hearing the detail of how the Government will take this forward."

On National Insurance contributions removed for apprentices aged under 25:

"Encouraging more employers to offer apprenticeships is important but the Government must work with colleges to ensure that employers are ready to take on apprentices. Colleges already work with an average of 700 employers in their local area and they are keen to do more."

FE INFORMATION AND POLICY UPDATE

AoC East Midlands launch “Key Asks” ahead of the General Election

Colleges in the East Midlands have come together to set out their priorities for the Government after the General Election next year.

Among their key concerns are preserving funding of adult, skills, literacy and numeracy; ensuring that Local Enterprise Partnerships (LEPs) recognise colleges as strategic partners in delivering the skills agenda; and encouraging local employers to recruit more apprentices and trainees.

The colleges, led by Association of Colleges’ regional representative EMFEC, have also thrown their support behind AoC’s national manifesto, which calls on Government for fairer funding, better access to student transport and careers guidance, and allowing colleges to maintain their autonomy to help them adapt to local need.

The document was launched at Westminster at an event hosted by the the Leicester East MP, Rt. Hon. Keith Vaz. The “Key Asks” document is available [here](#).

Linda Houtby, Principal and Chief Executive of Grantham College and Chair of the AoC East Midlands, said:

“We hope the Government recognises the importance on the priorities we have highlighted. We hear constantly that there is a skills shortage and if we are to tackle it, we need to be able to provide training for adults and young people, particularly in literacy and numeracy.”

“We hope to find support from local authorities, MPs and stakeholders in the region to find solutions to these requests.”

Paul Eeles, Chief Executive of EMFEC, said:

“As a region it is important for us to provide jobs for young people – particularly 16 to 18-year-olds – but we need employers to be supportive of taking them on. Government should be doing what it can to give businesses an incentive to invest in that young person.”

Ahead of the Parliamentary launch of the document Keith Vaz MP said:

“Colleges in the East Midlands make a significant impact on our regional economy. Not only are they places of education but they are major regional businesses responsible for the education of 270,000 students and contributing near to £900 million to the economy.

“It is crucially vital that Local Enterprise Partnerships foster strong relationships with colleges in order to build on continual economic growth in the East Midlands.”

FE INFORMATION AND POLICY UPDATE

AoC Conference 2014

The National AoC Conference took place in November at the ICC in Birmingham.

Headline Speakers

Martin Doel, AoC Chief Executive

Martin Doel opened the conference with his reflections on the past and looking forward to the election and beyond, highlighting key themes affecting colleges over the next 6 months, including: FE Funding, Apprenticeships and Devolution, and the importance of the [AoC 2015 Manifesto](#) ahead of next year's election:

"The detailed policy landscape as it affects colleges seems much less formed and more fluid than in 2009 (This) represents a challenge and opportunity for us over the next 6 months. In order to prevail through such fluidity we will need clear asks for colleges which is what our manifesto seeks to provide."

Richard Atkins, AoC President

Richard Atkins called on the post-2015 General Election government to halt the swathe of cuts which have impacted on the sector in the past five years.

AoC has already asked the Government to hold a 'once in a generation' review of education funding to help make spending fair across all age groups.

The Association of Colleges Manifesto 2015 includes 10 recommendations for the next government which, if implemented, will create a system in which further education (FE) and sixth form colleges and, most importantly, their students, can thrive and succeed.

The Manifesto calls include; supporting student choice, sustaining economic recovery through education and training, creating a fair and effective education system.

Nick Boles, Skills and Equalities Minister

The Minister announced that the Education and Training Foundation are to lead on a review of Grade D students requirement to retake English and Maths GCSE, and to look at an alternative qualification (with relevant stakeholders):

"I have asked the Education and Training Foundation to work with employers, colleges and awarding bodies to understand what kind of English and Maths qualifications might give those who are not able to pass GCSEs a certificate of real value."

The minister also announced that from January 2015 anyone aged from 19 to 24 with prior qualifications up to a full level 2 will be able to do a traineeship.

FE INFORMATION AND POLICY UPDATE

AoC Conference contd.

Vince Cable, Secretary of State for Business, Innovation and Skills

Quotes from Vince Cable

“From high level Apprenticeships to funding for top graduates to teach English and Maths, I have overseen the introduction of positive change in our further education sector which helps train the nation’s workforce as well as help unemployed and disadvantaged people to get their lives back on track.”

“Having visited colleges the length and breadth of the country I have seen the important role they play in supporting their local community and business. By focusing on what they do best and partnering with employers, the further education sector will remain fundamental to driving future local economic growth.”

“There is a growing demand for degree level courses whether vocational or otherwise. We are promoting this agenda because there is a demand for it and it’s popular.”

“We’re looking at how we treat students in an equitable way between FE and HE. We have tried within financial constraints to inject funding into higher apprenticeships and developing trailblazer schemes.”

“We have also launched the system of national colleges which will work alongside you and maybe incorporate your colleges to bring a wider range of higher skills such as railways for HS2, nuclear power, coding for the IT industry. “

“I have been very much aware in my job that FE and adult sector doesn’t have a lot of friends in the top of Whitehall compared to universities. FE hasn’t had that traction.

One of the issues you have to focus on is building a basis of support for the FE and adult sector because it cannot be guaranteed and we are in the face of difficult financial times.”

FE INFORMATION AND POLICY UPDATE

AoC Conference contd

Tristram Hunt, Shadow Secretary of State for Education

First priority as Education Secretary would be to deliver a joint DfE / BIS White Paper on reforms to further education, apprenticeships, and vocational qualifications.

In terms of the decoupling of AS and A Levels: "Labour will not pursue the government's policy of scrapping AS Level qualifications as a staging post to full A Level qualifications"

"Labour will create a new Gold Standard Technical Baccalaureate for 16-19 years olds as well as ensuring that they continue to study English and Maths to 18 - which under would be compulsory for all.

A 2015 Labour government will transform the highest performing FE colleges into new 'Institutes of Technical Education' based upon a college demonstrating clear excellence in vocational teaching, strong links with local businesses, and high standards of English and Maths provision."

FE INFORMATION AND POLICY UPDATE

Funding

Education Funding Agency

Peter Mucklow, National Director of Young People at Education Funding Agency has written to the sector explaining funding for the academic year 2015 to 2016 for students aged 16 to 19 and high needs students aged 16 to 25.

Areas included in the letter are:

- national funding formula and funding rates
- formula protection funding
- maths and English condition of funding
- large programme uplift 2016 to 2017
- study programmes
- high needs students
- Traineeships
- discretionary bursaries
- free meals for disadvantaged students in FE
- new sixth forms at existing schools
- Institutional planning and the allocations timeline 2015 to 2016

Link to full [letter](#).

European Social Investment Fund (ESIF) 2014–2020

It is getting closer to the release of funding for ESF from the new funding tranche.

Local enterprise partnerships (LEPs) have taken a key role in determining what activities the old European Social Fund (ESF) can be spent on.

The Skills Funding Agency (SFA) will continue to administer/procure against the fund on behalf of the 39 LEPs.

Although the fund is still to be signed off by Europe, the SFA procurement team are hopeful of running the first round of opportunities early in 2015.

Procurement will use the existing SFA mechanisms including Bravo Solutions and will be open to all providers on Register of Training Organisations who have ticked the appropriate boxes.

FE INFORMATION AND POLICY UPDATE

Further Education Commissioner

Further Education Commissioner (Annual Report 2013-2014)

Over the period 1st August 2013 to 31st July 2014 eleven colleges were referred to the FE Commissioner. Of those, four were triggered by an inadequate OFSTED inspection and seven because of financial concerns.

Each of the FE Commissioner's assessments leads to a report to the Minister for Skills and Equalities. In many cases the action has led to changes of governance and leadership.

Full report is available [here](#)

NEETs

NEET statistics quarterly brief: July to September 2014

The **16-18** NEET in England rate fell to 10.6% in July to September 2014, 1.6 percentage points lower than July to September 2013 and the lowest July to September figure since comparable data began in 2000.

The **19-24** NEET rate fell by 2.4 percentage points* (to 17.6%) in the same period and the overall **16-24** rate fell by 2.2 percentage points* (to 15.4%).

In the **East Midlands** (July to September 2014), 14.2% of 16-24 year olds were classified as NEET (75,000). Link to full [brief](#)

Qualifications

New Degree Apprenticeships to be launched from September 2015

The government have announced it will be part funding a new Degree Apprenticeship qualification scheme alongside industries such as IBM, BT and John Lewis.

Tesconnect reported: 'The first of the new qualifications will be available in the digital sector to help provide the skills for a wide range of careers and to help fill the estimated 1 million digital job vacancies over the next decade'.

It was announced that: 'The government will pay two-thirds of the costs and fees while employers pay trainees' wages and other costs.'

The academic training will be delivered through UK universities including Manchester Metropolitan and UCL which commented that it was delighted 'to help increase the flow of skills into the tech industry'.

FE INFORMATION AND POLICY UPDATE

AoC responds to UKCES Growth through People report:

Martin Doel, Chief Executive of the Association of Colleges, said:

“Employers must work together with the education community to create meaningful qualifications for today’s fast-changing global skills economy. Colleges already work with an average of 700 employers each in their local area but they are keen to do more to ensure that students leave college with the necessary skills to join local businesses.

“However, young people need to be aware of the varied career options and learning pathways open to them. That’s why our Careers Guidance Guaranteed campaign calls for the establishment of careers hubs in every local area involving schools, colleges, local councils and others.”

SFA Statistical First Release (November)

Key Points (Data for England)

- Final data for the 2013/14 academic year show 2,929,600 adult learners aged 19 and over participated in government-funded further education, a decrease of 10.7 per cent on 2012/13.
- Final data show that overall 851,500 funded Apprentices participated in the 2013/14 academic year, a small decrease on 2012/13. Increases were seen for under 19s and 19-24 year old Apprentices.
- Final data for the 2013/14 academic year show there were 440,400 Apprenticeship starts, a decrease of 13.7 per cent on 2012/13.
- An increase was also seen overall in Apprenticeship achievements, to 255,800.
- Final data show that there were 10,400 Traineeship starts for the full 2013/14 academic year.

FE INFORMATION AND POLICY UPDATE

Reports

Skills Commission Report: “Still in Tune? The Skills System and the changing structures of work”

The Skills Commission report warns that the UK’s system of training and skills provision is growing increasingly out of step with the needs of the modern economy and that change is needed if the UK workforce is to remain competitively skilled.

The report looks into 4 Strategic Alerts which were identified during the enquiry:

- Uncertainty around the responsibility for training in an increasingly flexible labour market.
- Declining social mobility owing to a reduction in the alignment of skills provision to work.
- Fragmentation in the system making it difficult for employers to engage.
- Policy dissonance between different Central Government departments

Part three of the report focuses on colleges, independent learning providers and qualifications. The full report is available [here](#)

UKCES Report: “Growth through people”

The [report](#) produced by UKCES, looks into the UK skills system and puts forward 5 recommendations for action, with employers leading the way.

The report sets out five priorities for action over the next twenty years:

- Employers should lead on skills development and government should enable them to do so, by encouraging greater collaboration between businesses, unions and the workforce in regions, sectors and across supply chains.
- Increased productivity equals career progression Improving workplace productivity is the route to pay and prosperity including better management, better job design and increased employee engagement.
- We need more quality ‘earning and learning’ routes like apprenticeships.
- Education and employers should be better connected to prepare people for work. Work experience should become an integral part of education for all young people.
- Success should be measured by a wide set of outcomes, including jobs and progression, not just qualifications.

FE INFORMATION AND POLICY UPDATE

Technology

ETF and Jisc announce collaborative working to deliver FELTAG recommendations

The Education and Training Foundation – the sector-owned body charged with professional development of the education and training workforce – and Jisc, the champions of the use of digital technology in further and higher education, are joining together to respond to the recommendations of the further education learning and technology advisory group (FELTAG) [report](#) and the [Government's response in June 2014](#).

The joint approach seeks to best serve the interests of the education and training sector by combining and sharing expertise and effort, avoiding duplication, and ensuring the effective use of digital technologies in teaching, learning, assessment and business support.

The Foundation and Jisc will together focus on:

- developing the technology capabilities of leaders, managers and governors
- helping providers and practitioners to create better digital content
- engaging employers so as to improve access to cutting edge industry-standard technologies

providing support and combining the networks and contacts of both organisations to ensure maximum audience reach.

The first collaborative activities will include sharing the results of both organisations' sector-based action research projects, ensuring funding is directed to respond to different FELTAG recommendations without duplicating effort and, where appropriate, providing professional support to each other's programmes of work.

A Free digital mapping service for colleges has also launched to support FE sector and help students learn online:

<http://www.jisc.ac.uk/news/free-digital-mapping-service-for-colleges-launches-20-nov-2014>

FE INFORMATION AND POLICY UPDATE

Trailblazers

The [phase three trailblazers](#) have been announced. Amongst around 70 new standards to be developed are four for Further Education:

- FE Tutor-Assessor
- FE Developing Teacher
- FE Qualified Teacher
- FE Graduate Lecturer

AoC are amongst the employer trailblazer group which also includes colleges and independent providers as employers.

The establishment of Provider Reference Groups (PRGs) continues.

AoC are working with AELP and UVAC to establish a credible group of providers to work alongside each of the phase two employer groups. These groups have already developed [their standards](#) and are now working on their assessment strategy and we are keen to ensure that providers can input to this journey as a 'critical friend'.

If you, or a staff member from your college would like to be involved, then please register interest identifying which of the standards you would like to be considered for and a little bit about your current offer that relates.

There is an email account for these queries trailblazers@aoc.co.uk.

The interim trailblazer funding mechanism is to be published shortly.

Funding will continue to flow through providers *not employers* (all providers must be on the SFA's Register of Training Organisations). The funding is split into various payments based on a banded system, each band identifies the maximum government contribution for any standard.

FE INFORMATION AND POLICY UPDATE

Events

Increasing ethnic minority participation in Apprenticeships

(8 December 2014, Amnesty International Offices)

Inclusion and the Black Training and Enterprise Group (BTEG) are collaborating on this [conference](#).

Today, ethnic minorities make up about 10 per cent of apprentices in the UK.

Many more ethnic minority young people are leaving school with good GCSEs and more are applying for apprenticeship vacancies which make up almost one quarter of registered candidates. Despite this, ethnic minority people are still badly under-represented in some sectors such as engineering, construction and creative industries.

This Conference will stimulate debate, share best practice, encourage greater use of the available levers to deliver equal opportunities in apprenticeships for all young people. See below for the full programme.

AoC Events

AoC Curriculum Conference

Prospero House – London, 2 December

This [conference](#) is a must-attend event for college curriculum leaders and will explore curriculum innovation in study programme design.

AoC Winter Finance Conference 2014

Westminster Kingsway College, Victoria Centre, London, 4 December

AoC will run two Winter Finance Conferences in December 2014: in London on Thursday 4 December and in Leeds on Tuesday 9 December. You will hear updates on funding and what to focus on at the start of the 2015 planning and budget cycle.

AoC ESOL Conference

One Drummond Gate, Victoria – London, 21 January

For the first time, AoC are delighted to be delivering a [one-day conference](#) specifically focusing on ESOL.

The comprehensive programme will enable practitioners to consider the key challenges and future expectations facing ESOL, as well as provide the latest on government policy, training and ESOL funding and best practice case studies.

FE INFORMATION AND POLICY UPDATE

AoC events continued

AoC Teaching, Learning and Assessment Conference

Radisson Blu Portman Hotel – London, 28 January

The Conference will bring together inspirational keynote speakers who will be demonstrating techniques and tools to develop new and effective ways of delivering teaching, learning and assessment to your students.

For full list of AoC events coming up, please click [here](#)

END
