

## **Landex Member Briefing – May 2017**

### **General Election**

Shortly after the April Briefing was issued, the Prime Minister announced that a General Election will take place on 8<sup>th</sup> June 2017, and that Parliament will be dissolved on 3<sup>rd</sup> May. Significantly election purdah commenced on 22<sup>nd</sup> April, which effectively means that no decisions will be made or announced until the new government is in place - making it difficult to progress several of the issues of concern to members.

There has however, been a flurry of government activity to complete the passage of both the FE and HE Bills through parliament before 3<sup>rd</sup> May.

Even if the current administration is returned to office after the election, there is no certainty that the same ministers will be re-elected or retain the same posts, and it is not yet clear what priorities (other than Brexit issues) the party manifestos will include.

### **Funding Agencies**

Secretary of State, Justine Greening has announced the creation of a single funding agency for education and skills (excluding higher education), bringing together the Education Funding Agency (EFA) and Skills Funding Agency (SFA) to form the ESFA. This is a very understandable step, particularly for further education providers as they were previously having to link with the two separate agencies for similar aspects of their work. Hopefully, this will lead to a single, joined up approach to funding and to aspects of regulation.

Minister for Apprenticeships and Skills, Robert Halfon MP has set out the government's spending priorities for 2017-18 in the annual Skills Funding letter. There are no real surprises with the main funding information relating to apprenticeships, the Adult Education Budget and the new Advanced Learner Loans.

Peter Lauener, Chief Executive of the EFA, SFA and IfA (Institute for apprenticeships) has announced that he will retire once the new Chief Executive of the IfA is in place.

The IfA assumed responsibility for the approval and funding of apprenticeship frameworks and standards from 1<sup>st</sup> April 2017, but responsibility for technical qualifications will not transfer until April 2018.

### **Post-16 Data**

The 16-18 retention data was not published in January. However, it was belatedly published in March in the 16-18 performance tables. The average retention for each institution is given separately for each of the three cohorts of students i.e. academic, applied general and technical. The figure is also compared to the local authority and England average. (Note the figure is not shown as a headline figure, but is somewhat 'hidden' within each cohort as 'percentage of students completing their main study programme'). Landex is producing a summary of the data, together with land based sector averages for publication on the website.

## 16-18 Provisional Funding Allocations

Provisional allocations for 2017/18 were sent out in early March.

The lagged funding methodology resulted in some significant changes in provisional allocations for many Landex members, reflecting their changes in initial recruitment during 2016/17 compared with 2015/16.

Across the Landex membership the biggest increase in 16-18 student numbers was +14.6% and the largest decrease -18.3%: the changes in provisional allocation ranged from +8.1% to -18.8%. A full anonymised analysis is available upon request.

## Technical Qualifications

As the Skills Bill progressed through Parliament, the future of both apprenticeships and technical qualifications became clearer.

The announcement in the budget that the taught hours for technical qualifications will increase to 900 hours/year and the associated funding by £500million/year was welcomed. This will apply to level 2 and 3 technical qualifications, but no changes at level 1 and below or for A' levels or Applied General Qualifications are currently included.

The £500million funding announced, which is all revenue funding, will be phased in as learners' progress:

- £60million – 2018/19 – includes devolved Nations, so only £50million available in England as 20% will be lost under the Barnett formula
- £115million - 2019/20 - includes devolved Nations so 20% will be lost under the Barnett formula
- £260million - 2020/21 - includes devolved Nations so 20% will be lost under the Barnett formula
- £445million – 2021/22 - includes devolved Nations so 20% will be lost under the Barnett formula.

However, the full £500 million will be available in England once fully operational.

Current thinking is that the increase in taught hours will probably consist of 150 'taught hours' plus 150 hours of work placement in each year: work placement being significantly different from current expectations of work experience.

The DfE has commenced detailed work on the development of 'route maps' for each of the 15 vocational routes. This work is being undertaken by the Gatsby Foundation and its proposals will be considered further by the route panels, once convened.

Landex has been fully involved with this development work. The broad expectation is that there will only be 50 or so technical qualifications across the 15 routes, which suggests a significant reduction in the number of land based qualification at levels 2 and 3.

The DfE has also started developing the funding methodology and guidance for the new technical qualifications. Landex has been involved in the relevant Stakeholder meetings and has submitted a detailed response to the DfE's confidential consultation questions. If current proposals are progressed, a full public consultation on firm proposals will take place later in the summer.

'The challenge' has been commissioned by the DfE to design the 'work placement' scheme that will form part of the 900 hour T-levels (Technical qualifications). The Chief Executive has been involved in initial discussions, and will attend the workshops planned to progress

development of the scheme. We hope that Landex members will also nominate and brief appropriate employers to engage with the workshops.

## **GCSE developments**

Secretary of State for Education, Justine Greening published a letter in March 2017, which gives new descriptions to grade 4 and grade 5 under the new GCSE grading system that begins this summer.

The key points are:

- The government will no longer report on the “good pass”. Instead, it has said that a grade 4 will be a “standard pass” and a grade 5 will be a “strong pass” and that it will report on both in performance tables.
- A grade 4 is – and will remain – the level that pupils must achieve in order not to be required to continue studying English and maths post-16. Previous guidance had indicated that it would move to grade 5 after 2019.
- Where employers, FE providers and universities currently accept a grade C, they will be expected to continue to recognise a grade 4.

## **GCSE Maths and English**

It is widely anticipated that the current policy to force some students to resit Maths and English GCSEs will be lifted so that more students can study functional skills, as was the case before 2015.

This was not confirmed in the funding guidance for 2017/18, as widely expected, but discussions will continue after the election.

Any future decision may be influenced by Ofsted’s new Chief Inspector Amanda Spielman, who recently commented that whilst the present resit policy is “well-intentioned” it is causing “significant problems”. She added: “We must ask ourselves whether expecting all students without a C grade to retake English and maths is the right way forward. We all saw the, quite frankly miserable, statistics last year, when less than a fifth of students managed to get a C or higher when they retook their GCSEs last year, and around two-thirds of students overall did not manage to improve their grade. That is such a waste.”

## **Applied General Qualifications**

The Applied General Qualifications will not now be scrapped following a lengthy consultation with the sector.

The fear that the new Technical levels would mean that students would be channelled to one of two pathways, either academic A’ levels or vocational Technical levels, seems to have been averted, at least for the present time.

## **Higher Education and UCAS**

UCAS has published the findings from its survey highlighting changes in post-16 uptake of AS’ provision.

The key findings are:

- Over half of respondents have changed their AS’ and A’ level provision since the 2015/16 academic year.

- Over a third of respondents are offering the AS' in all reformed subjects for the 2016/17 academic year, and a similar percentage are offering the reformed AS' in some subjects.
- Nearly a quarter of respondents are offering an unreformed vocational specification in the 2016/17 academic year, despite the availability of the fully reformed version.
- Respondents to the UCAS survey commonly ask for a grade 4 or grade 5 in English and maths to access their post-16 provision.

## **Degree Apprenticeships (levels 6 & 7)**

Many in the sector remain unclear about what Degree Apprenticeships entail, and how they can promote them as options to their students. A recent report sheds some light and shows that they are on the increase, with over 60 universities and other higher education institutions across England currently implementing or planning to implement Degree Apprenticeships for 2017–18. UCAS is developing a tool for student applications similar to the present application system.

Other key findings include:

- There are expected to be more than 7,600 degree apprentices by 2017–18.
- Current growth is being driven by chartered manager, digital and technology, and engineer-related Degree Apprenticeships.
- Significant growth is expected in the public sector.
- Degree apprentices are mostly based locally, but whilst institutions envisage this to continue, they also anticipate this to expand regionally and nationally.
- Universities are engaging with a variety of organisations to deliver Degree Apprenticeships including Local Enterprise Partnerships (LEPs), local authorities, small and medium-sized enterprises (SMEs), national employers and FE colleges.

HEFCE launched a £8million Degree Apprenticeship Fund last autumn and £4.5 million was allocated under phase 1. Phase 2 funding of £4million in 2017/18 has now been confirmed by the Secretary of State. HM Treasury has ring-fenced this funding for apprenticeships and it may not be spent on activity other than that detailed in the schedule of eligible activities to support apprenticeships delivery.

The DfE expects the majority of funding (at least 90 per cent) to go to Higher Education Providers via competitive call to be spent on activities and innovative approaches that will increase starts on Degree Apprenticeships, and create greater choice and availability for employers who wish to train Apprentices at Level 6 and 7 from September 2018.

It is anticipated that a consortium of Landex members co-ordinated by National Land Based College will make an application for Development Funding.

## **HIGHER Technical Apprenticeships**

It has recently been announced that Ofsted will inspect level 4 and 5 apprenticeships, and HEFCE will assume responsibility for Degree Level Apprenticeships. (level 4 & 5 apprenticeships are not eligible for HEFCE Development funding).

The development of level 4 and 5 land based apprenticeships is being led by the National Land Based College.

## **New DLHE: The future of graduate outcomes data**

Landex completed the HESA consultation on the future of graduate outcomes data on behalf of members, the principal concern being the way in which 'graduateness' is determined, and the need to fully recognise the responsibilities associated with different types and sizes of business. In particular members have serious concerns about a range of land based occupations associated with land based industries such as farming, equine business and veterinary nursing not being designated as graduate occupations.

## **Teaching Excellence Framework (TEF)**

Applications for Year Two were due in by the end of January 2017 and providers in England and Northern Ireland are expected to have an Annual Provider Review outcome by May 2017 in time to inform the decisions of students applying in the same year.

The DfE will work with the Scottish Government and stakeholder bodies as the quality system in Scotland evolves to consider the relationship between the Quality Enhancement Framework and the TEF.

Whilst most Landex members were eligible to submit applications under round 2, some have addressed the opportunity enthusiastically, whilst others have made the decision not to do so at this stage

Providers must receive an outcome of 'Meets requirements': 'Meets requirements with conditions: 'or 'Pending' to receive a TEF rating. Any fee uplift was to apply from autumn 2018.

However, in order to help ensure that the Higher Education and Research (HER) Bill passes into law before the dissolution of Parliament the government introduced amendments to the bill, effectively accepting the Lords strongest argument against the TEF – that a heavy weight is being loaded on an untested scheme. There are a number of changes including differentiated fee rises being put back to 2020/21 at the earliest, and there will be an independent review of the TEF before differentiated fees are introduced. The review has to happen within a year of the Bill becoming law and the person conducting the review must be independent of government and the OfS and must be "a person who would command the confidence of registered higher education providers".

## **Apprenticeships**

Concerns remain over the content and structure of several of the land based apprenticeship standards (32 at the time of writing, with several occupations yet to be addressed) that have been approved or in a stage of development. Current funding indications for some of the frameworks and future standards, particularly at level 2, are inadequate. As a consequence, several Landex members are considering offering a full-time programme with a period of extended work experience, rather than apprenticeships at level 2.

Agriculture Minister, George Eustice MP has been particularly helpful in raising the issue with the DfE, and Landex is currently preparing a detailed case for presentation to the FE & Skills Minister to help justify an increase in funding for the most affected frameworks and standards.

Yet another report on apprenticeships has been published, this time from the Sub-Committee on Education, Skills and the Economy. It called for a clearer focus on outcomes, a better alignment with regional skills gaps and for Ofqual to have responsibility for external quality assurance.

An important apprenticeship funding rule from May, is the requirement that every apprentice spends at least 20% of his or her time on off-the-job training: this cannot include time spent

on English and maths, or on training to acquire skills, knowledge and behaviours that are not required in the standard or framework. In practice, most apprentices will need more than 20% off-the-job training if they need English and maths, and it is up to employers to decide how all the off-the-job training is delivered e.g. regular day release, block release or special training days/workshops.

## **Apprenticeship End Point Assessment**

End Point Assessment (EPA) remains a very significant area of concern for many apprenticeship providers. It may consume up to 20% of the available funding; and 20% of the available funding will be retained by the IfA pending successful completion of the EPA by each apprentice.

Potential EPA assessment organisations may only apply to assess a standard once the assessment plan has been approved and published. As most plans have not yet been approved for land based apprenticeships, few EPA applications have been made to date. A group of Landex members are investigating making a collaborative bid through Landex to become an Assessment Organisation. If progressed this will take the form of a joint venture with any set up cost being funded by the participating members, and operating surpluses being distributed to those participating.

Participation is open to all members, and further details will be available at the Landex conference: any additional members interested in participating should contact me for further detail.

## **STEM Status for Land Based Subjects**

No land based further education is currently defined as STEM: we believe this is inappropriate. Many land based technical qualifications and apprenticeships [agriculture, horticulture, veterinary nursing, equine and animal science, and land based engineering in particular] involve considerable knowledge and understanding of science and technology topics: we believe they should be correctly identified as STEM subjects.

This view is reinforced by the fact that the Government's Agri-tech Strategy is regarded as STEM activity, and land based subjects at level 4 and above are recognised as STEM subjects by HEFCE and are funded as such. It is important however to recognise that all land based subjects could not be demonstrated as having significant STEM content.

The department does not currently accept the case, and it is important that in further presenting evidence, STEM status is not confused with specialist land based funding as this could prove detrimental to the sector. Landex is currently developing a paper to help identify which aspects of land based provision contain significant STEM content, before deciding whether to present a further case to ministers and officials.

## **Funding and A' level class sizes**

The DfE has just published a report into the sizes and costs of A' level provision, highlighting considerable variations in approach by different institutions and suggesting various ways to improve efficiencies and reduce costs. Whilst the sample of institutions may have been relatively small, it included FE colleges, sixth form colleges (SFCs) and school sixth forms.

Some of the key findings were:

Average class size varied considerably across institutions, with most FE and SFCs operating at just under 19 students compared to schools with just under 11.

The minimum viable average class size was judged to be 11.7 students.

A strong correlation existed between the size of the institution and the average class size – typically, the larger institutions had much larger class sizes (the four SFCs with over 1,200 students all had average class sizes of around 20).

Only one institution in the sample cited financial considerations as being a reason for not offering a subject, with most institutions trying to maintain their range of subjects but increase their class sizes.

Whilst the majority of institutions said they had thresholds for minimum class sizes, most did not seem to stick to their own guidelines. The reality of cutting subjects and consequently losing students, remains a very difficult decision for many institutions to undertake, despite the seeming financial imperatives to do so.

The overall conclusion seemed to be that whilst co-operation locally is increasing (over half the institutions were collaborating in some form), the DfE needs to consider a more “active managed market system” in the sector as opposed to the present “choice-driven system”.

## **National Land Based College**

NLBC is working with City & Guilds to produce a range of technical qualifications at levels 2 & 3 and has been supported in this task by a wide range of staff from Landex member institutions.

We hope that as many members as possible will eventually adopt these qualifications. Landex has produced a paper for NLBC and C&G outlining the criteria that Colleges are likely to consider when deciding if they will adopt the qualifications: a copy is available upon request.

Under the Skills Bill, a single Awarding Body (AO) will be licenced for each of the new technical routes and this may be a single AO, a consortium of AOs, or a Professional Body, The length of the licences may vary to allow the AO to achieve a return on its investment, and it is anticipated that procurement will start this autumn. It is important that the NLBC/C&G partnership secures this licence for the ‘Agriculture, Environment and Animal Care’ route to ensure that the new qualifications currently being developed have longevity beyond 2020.

## **Residential Care Standards**

A revised Common Inspection Framework (CIF), was put in place from 1<sup>st</sup> April 2017 and it is anticipated that the first inspections under this framework will take place in May.

We expect a significant number of additional providers to be subject to inspection under this framework than was previously the case.

In January 2017, Landex was commissioned by the DfE to revise the Minimum Residential Care Standards for Further Education Providers (last revised by the Department of Health in 2002), and 11 Landex members were involved in the iterative development process. We have recommended that the number of standards is reduced from 47 to 20, and that the revised standards are similar in scope, but differentiated to take account of the differences in context and age group, to the Minimum Residential Care Standards for Boarding Schools.

This would reflect the approach taken by Ofsted in developing its CIFs.

DfE solicitors are currently considering whether the proposed standards will be subject to the statutory 14-week consultation.

## **Building our Industrial Strategy**

This Green Paper was published by BIES in January 2017 and responses to the consultation are must be submitted by 17<sup>th</sup> April 2017.

Many members will be responding individually, but Landex will also be responding on behalf of members, and any issues that members wish to be included in the collective response will be appreciated.

## **Landex Annual Conference**

The Annual Conference will take place at Sedgebrook Hall, Northamptonshire on 3<sup>rd</sup> and 4<sup>th</sup> May 2016, when there will be an opportunity to discuss many of the topics within this newsletter.

Chris Moody  
**Landex**  
May 2017