

# Improvement in the Further Education Sector:

A consultative prospectus for a new sector-owned organisation

## Response Form

We welcome views and comments from all those working in or with the further education sector, and those with an interest in it.

Your responses may be sent by email, fax or post (using the response form at [http://www.dius.gov.uk/consultations/con\\_1107\\_feimprovement.html](http://www.dius.gov.uk/consultations/con_1107_feimprovement.html)) and will be acknowledged. However, we cannot enter into discussion with individual respondents on specific points raised. **The deadline for responses is Friday 25 January 2008.**

By email to: FEImprovement.Consultation@dius.gsi.gov.uk  
By post to: Michelle Dawson, DIUS, Improvement Directorate, N3, Moorfoot, Sheffield, S1 4PQ.  
By fax to: 0114 259 3602.

We expect to publish a summary of responses in due course. Individual respondents will not be identified in this but please note the Freedom of Information statement below.

Please email any enquiries to **FEImprovement.Consultation@dius.gsi.gov.uk**

## Name

Mark Haysom

## Position in organisation

Chief Executive

## Organisation (if applicable)

The Learning and Skills Council (LSC)

## Address

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Coventry CV1 2WT

**Please indicate with a tick which type of organisation you represent**

General further education college	
Sixth form college	
Work-based learning provider	
Adult safeguarded learning provider (eg, PCDL)	
National agency	X
Sector Skills Council	
Representative body	
Trade union	

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Employer	
Learner	
Other – please specify	

Please note that the boxes below can be extended to accommodate your views.

**Question 1: Are these, broadly speaking, the right mission and aims?  
Is there anything you would like to add or delete?**

The LSC broadly supports the aims; however, they are broad and wide ranging and extend the current remit into new areas eg “implement economic and social policy priorities”. The document does not articulate how this will happen.

At the end of paragraph 2.4, it states that ‘in time the new organisation might also take on further responsibilities, as the sector wished’. It would be helpful to have a clearer articulation of the sorts of responsibilities this might include and, also, whether the funding and inspection bodies, SSC (ie LLUK) might be consulted on those additional functions.

It is not entirely clear whether the new organisation will be reactive and simply responding to OfSTED reports and LSC or other concerns about quality or be more proactive and actively seek to raise the bar. We would like to see both elements of this role i.e. ‘support’ and ‘challenge’ clearly articulated in the mission and aims and be fully embraced by the sector as part of the move to self-regulation.

**Question 2: Are these, broadly speaking, the right activities?  
Are there others which it should undertake?**

The key activities flow from and match the aims and mission statement. It would be helpful if the activities also reflected and influenced the regional strategic quality priorities agreed by the major stakeholders and the college or provider network.

There are some specific activities that LSC would particularly wish the new body to commit to supporting, that stem from our statement of priorities and our role as a key stakeholder/partner with the new body. In broad terms this would include; improvement activity specifically targeted to eliminate failure underpinning LSC’s work on Minimum Levels of Performance and our Intervention Policy; supporting providers and the sector in developing and implementing the Framework for Excellence and the continued expansion of Apprenticeships and Train to Gain.

We would also wish to see continued support for the activities already started in embedding the use of technology in the FE System. Specifically the LSC has been funding CEL to deliver programmes on the strategic implementation of technology for leaders and QIA to deliver programmes for the use of technology by teaching and learning practitioners. In addition, the LSC has funded the development of a wide variety of resources across the FE and Skills Sector to encourage the use of technology in the delivery of learning. The LSC would like reassurance that the new organization would continue to manage and develop these resources for the benefit of the FE System.

The new organisation, like the QIA, will commission products and services. It is logical to continue this approach and build on the experience to date; we do have some concerns, however, about the sector’s capacity to release its own staff in

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support of its peers.

There is an opportunity for the new organisation to work closely with other agencies around quality improvement such as the HEA and QAA, and also local authorities.

There may be a role for the new organisation in commissioning/ analysing research to ensure that resource for improvement activities is well planned and fully evaluated.

We welcome the approach that CEL has taken to embedding Sustainable Development in its programmes and operations and would like to see a continued focus on this in the new organisation.

### **Question 3: Is this the most appropriate form of governance to achieve the mission and aims?**

We generally agree with the structure proposed i.e. a company limited by guarantee and 'owned' by the sector with charitable status. However, if this is truly to represent the sector it will have to define that sector carefully (will school sixth forms, independent training providers, employer-based TtG providers, adult education, CVS, ESF-only funded projects all represented)

It will also have to ensure that the language used and the concepts described accommodate the many and varied circumstances of all of these providers (otherwise it could be in danger of becoming a general FE college improvement body). The sector is currently experiencing significant fluidity in terms of its members, and this can only increase as competitive tendering and the demand-led approach continues.

In developing the structure, it will be important to ensure that the decision making process is rapid and uncluttered and does not increase bureaucracy. There is a danger that the process could become overly bureaucratic and involve only a minority of participating providers.

### **Question 4: Is this the best way for the sector to play its part in the governance of the new organisation? How might the relationship with the Single Voice evolve over time?**

The new body will need to understand and reflect the relationship with other organisations that will play a significant part in self regulation, existing representative organisations and the Single Voice, by alignment of their respective roles, not necessarily replacing their roles and activities. For example, the new organisation aims to have an influencing role in the development of policy and it is not clear how this will align with the influencing role that the Single Voice will seek to have with government and agencies.

Paragraph 3.5 states that every provider...will become a guarantor of the company. This is potentially difficult to manage given the shifting provider base and increasingly collaborative nature of delivery.

Membership needs to be inclusive if it is to truly represent the sector. It will also be important to consider the relationship with sub-regional and regional groups that exist for quality improvement.

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**Question 5: Are the proposals based on funding and contract values the most equitable and effective ways of drawing the voting membership from the sector? If not is there an alternative?**

The proposals seem to assume an element of stability in funding and contract values, which cannot be assumed under the demand-led funding system. This means that the weighting applied to each provider's vote will have to be responsive, changed on at least an annual basis if not more frequently.

Voting rights must be inclusive, equitable and fair. Placing lead responsibility with the sector itself should not just allow the providers with the biggest contract values to have a greater vote. Contract value does not necessarily correlate with performance and delivery.

It is not clear how voting rights will be apportioned in relation to a collaborative contract arrangement.

As above, the 'democratic' nature of the members' rights is predicated on largely equal degree of response from each group of providers. If the level of 'turnout' is low, the ensuing outcomes could be skewed by a relatively small number of providers.

**Question 6: Is the 35:65 per cent balance right? If not, what should it be? For example alternatives might be 50:50 or 65:35 (ie individual provider members having a third rather than two-thirds of the vote).**

Subject to the comments made about contract values, the 35:65 split delivers a clear message that providers will influence decisions in line with the aims and mission of the new organisation.

**Question 7: Will the arrangements that are described here allow the new organisation sufficient room to shape its mission coherently, innovate and be a thought leader on behalf of the sector?**

This will depend on the degree of representation from all providers and the process for decision making. Ultimately, decisions on major issues will have to be taken by nominated individuals. The flow of innovative ideas will be subject to the degree of involvement by sector providers which in turn will be influenced by the impact made by this new organisation - The new body must have more regional and local presence (not predominantly national) otherwise vested interests may prevail from the larger organisations involved.

As stated previously, it is not clear to what extent this body should be a 'thought leader' and how this will fit with the mission and role of the Single Voice?

**Question 8: How can learners, employers and communities have an influence on the overall direction of the organisation?**

The Board must appreciate the developments of Framework for Excellence and have

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amongst its membership representation from employers and learners possibly from the sector skills councils or the national learner panel.

Processes described in the Framework for Self Regulation (Phase 2) also articulate a firm basis for the involvement of learners, employers and communities.

**Question 9: Does the sector at large need to inform the direction of the new organisation and its services other than through membership? Do the existing Regional Quality Improvement Partnerships offer a model for this?**

Yes, in theory the RQIPs could assist in setting a regional and local strategic direction for prioritising services from the new organisation. However, there needs to be a greater clarity about the relationship between the RQIPs and the new organisation, and where responsibilities lie. From LSC's perspective the RQIPs are still evolving. To be more effective they must have a clear and common responsibility, agreed by all stakeholders and providers, to drive improvement across the sector with decisions and strategic priorities acted upon. Some RQIPs currently struggle in drawing together representative views to create quality improvement strategies for their region. It would be advisable to improve the effectiveness of this regional process before widening the remit to national strategies.

There also needs to be some clarity between the role of RQIPs and the regional improvement partnerships, funded through GOs by DCLG.

Will any stakeholder lead or challenge the sector on quality if it identifies gaps? Is it the role of the Education departments, Stakeholders or the sector itself?

**Question 10: Do you think this funding model is feasible and sustainable?**

There is potential for tension between the commissioning model (spending subscriptions on behalf of members to secure value for money) and the direct delivery model (bringing in funds through contracts and sales). It is possible to run these two models together but it adds to the complexity and could lead to 'mission drift' as the organisation seeks to maximise sales revenue. If providers are not compelled to pay they may try and seek cheaper market alternatives. In addition, providers often need additional services when they are on the edge of failure and can't afford to pay – will there be an exceptional support fund/discounted subscriptions?

**Question 11: How should the proposed subscription model be developed from the shadow levy?**

- Should the aim be to move as quickly as possible to a position where this element of the budget is actually shifted into providers' budgets?
- Once this was done, should the members and other guarantors collectively be able to agree the level of subscription to be levied compulsorily?
- Or would it be simpler to retain a top-slice mechanism, the level of which would be agreed with the sector?
- At what point, and under what conditions, might a move to voluntary subscription be considered?

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Key elements of any new model should include the ease of operation and the assurance that support is directed equitably. Retaining a top-sliced mechanism would give the sector time to evaluate the effectiveness of the new organisation as it develops its reputation. The potential impact of moving over to a voluntary subscription will need careful consideration, particularly if it is introduced before the new organisation has gained the full confidence of the sector.

### **Question 12: How quickly should the new organisation move towards financial self-sufficiency?**

A three to five year transition period seems reasonable. Self sufficiency carries with it a longer term risk that the sector's views on activity are also shared by stakeholders.

### **Question 13: How do you think that the organisation's core funding should be deployed in the sector? On what should it be spent? What mechanisms should be used for this purpose?**

The new organisation needs to understand the regional and local needs and distribute the funding and activity accordingly. Some LSC regions, for example, have a very small proportion of inadequate provision but not enough good or excellent provision across all sectors.

Concerns have been raised about the current level of sub-commissioning of QIA functions to external consultancies, in particular the Support for Excellence programme, successfully tendered by Deloitte who in turn have engaged Morgan Webb Associates who then use senior managers in the FE sector. The new organisation needs to maintain much closer and firsthand contact with the sector, providing co-ordination and consultancy at the point of need, including peer review.

Whilst there have been major advances in sector recognition of the need for continuous quality improvement, many providers still struggle to prioritise self-improvement over external demands. The new organisation needs to recognise these capacity constraints and provide regular co-ordination and encouragement to sustain quality improvement.

### **Question 14: How can learners and employers best influence services?**

By genuine involvement at a strategic and operational level including, and as mentioned previously, through Board level representation. Feedback from learners and employers will be available through the Responsiveness dimension of the Framework for Excellence which will inform the commissioning of support.

### **Question 15: What are the priorities for action for the new organisation that will be included in the National Improvement Strategy in the next year? Three years? Five years?**

To respond to the competitive demand led approach by developing improving post 16 institutions through leadership and management skills and by sharing best practice across the sector.

To improve performance and assist providers in improved self assessment processes and reports to mirror more closely inspection grades and in particular embed the rigour of lesson and teaching observations (internal and external).

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To assist in implementing the Framework for Excellence – particularly in the dimensions of employer and learner responsiveness, quality effectiveness and financial control.

Recognition, through products and services, that a 'one size fits all' approach is not appropriate in meeting the needs of a wide range of providers.

Establish clear and accessible systems for sharing good practice.

Regularly review the bureaucratic demands on providers in the spirit of the new Framework for Self Regulation.

Encourage partnership between providers but be aware of their time and capacity constraints.

Colleges and providers will be undergoing a period of change, with the implementation of the demand led agenda, curriculum reform – QCF and FLT, and new funding, Quality - in the form of success rates - will have a significant effect on provider funding and viability. The new organisation should be mindful of the risks all this presents to the sector. At the same time new models of delivery are being developed, in particular for Diplomas. This essentially represents a new paradigm in which many providers will need considerable support to survive.

### **Question 16: How would the new organisation most effectively work with the national partners and stakeholders to deliver the NIS?**

It should align its key activities and services to the needs of the colleges and providers it will serve and the stakeholders it will work in partnership with and have robust and transparent arrangements for assessing and evidencing its impact.

### **Question 17: How can the new organisation best use the expertise and knowledge already in the sector to support the sector as a whole and individual providers and staff within it? Is there merit in the idea of commissioning providers and/or groups of providers (eg, self-help consortia) to offer services and support to their peers?**

The new body should build upon existing best practice and improve it. Whilst providers respond well to impressive leadership and management from a few respected leaders sometimes it may need stakeholders to initiate and cajole providers to link together to meet specific improvement needs.

As detailed in earlier responses, there is considerable merit in using current practitioners to share good practice and support their peers. However the demands on successful providers (and therefore their key staff) can be considerable ( viz Beacon Colleges, Peer review) and staff may either not be released or may be allocated consultancy days but be unable to fulfil them.

**Please let us have any other comments not covered by the above.**

The document is not clear about how the new organisation will interface with Diploma

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consortia and school sixth forms. It needs to acknowledge that schools are key partners in collaborative arrangements and that it will albeit indirectly be supporting schools through these arrangements. It is possible that quality improvement/measurement of excellence may, post 2010, be very different pre and post-19; for example, planned, area-based provision focused on delivering the entitlement for a young person under 19 versus a marketplace for demand-led provision where a combination of price and quality will determine success. It is not clear whether the new body is intended to operate in both scenarios and if so whether it is capable of so doing. If there are to be two bodies, one for pre and one for post 19 how will this fit with Ofsted's comprehensive area assessments which will assess arrangements across the whole age spectrum?

Please tick the box if you would like to receive updates on the new organisation and further information on CEL or QIA.

The information you provide in your response will be subject to the Freedom of Information Act 2000 and Environmental Information Regulations, which allow public access to information held by the Department.

This does not necessarily mean that your response can be made available to the public as there are exemptions relating to information provided in confidence and information to which the Data Protection Act 1998 applies.

You may request confidentiality by ticking the box provided, but you should note that this will not necessarily exclude the public right of access.